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IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,)	
)	No. 08 CR 888
Government,)	
)	Chicago, Illinois
vs.)	
)	May 9, 2011
ROD BLAGOJEVICH,)	
)	9:53 o'clock a.m.
Defendant.)	

VOLUME 11
TRANSCRIPT OF PROCEEDINGS
BEFORE THE HONORABLE JAMES B. ZAGEL
AND A JURY

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Harris - cross by Goldstein

1620

1 THE MARSHAL: All rise.

2 (The following proceedings were had in the
3 presence of the jury in open court:)

4 THE COURT: Please be seated.

:02AM 5 Are you tendering the witness?

6 MS. HAMILTON: Yes, Your Honor.

7 JOHN HARRIS, GOVERNMENT WITNESS, PREVIOUSLY SWORN

8 CROSS EXAMINATION

9 BY MR. GOLDSTEIN:

:02AM 10 q Good morning, Mr. Harris.

11 A Good morning.

12 q Can you hear me okay?

13 A I can hear you fine. Thank you.

14 q Okay. Please forgive me if I'm coughing
15 uncontrollably. I apologize.

:03AM 16 Have you and I ever met?

17 A No, sir.

18 q My name is Aaron Goldstein. I represent Rod
19 Blagojevich.

:03AM 20 Are you aware that I requested to speak to
21 you about this case?

22 A Yes, sir.

23 q Have you and I spoke about this case at all?

24 A No, sir.

:03AM 25 q You have an agreement in exchange for your

1 testimony with the government, is that correct?

2 A Yes.

3 q And you and I don't have an agreement in exchange
4 for you're the testimony, is that correct?

5 A Correct.

6 q And you were arrested on December 9th of 2008, is
7 that correct?

8 A The correct.

9 q And when you were arrested, the FBI spoke to you
10 on that day, on the 9th, is that correct?

11 A Yes.

12 q And one of the first things you did when you
13 spoke to the FBI was, you lied to them, is that
14 correct?

15 A I'm not sure what you're referring to.

16 q Well, the FBI came and spoke to you, right?

17 A (No response.)

18 q Is that right?

19 A Yes. They came to my home, yes.

20 q They came to your home at about 6:00 o'clock in
21 the morning, right?

22 A Yes.

23 q Did they put you in handcuffs?

24 A As I left, yes.

25 q Okay. And then they took to the processing

1 center?

2 A Yes.

3 q And then they sat you down and spoke to you, is
4 that right?

:04AM

5 A Yes.

6 q And asked you a few questions, is that correct?

7 A Yes.

8 q And they asked you questions about the senate
9 seat?

:04AM

10 A Yes.

11 q And you told them certain things so that you
12 didn't have to give them any answers, is that
13 correct?

14 A Yes.

:04AM

15 q You lied to them?

16 A If you can tell me what you're referring to, I
17 can respond more accurately.

18 MR. GOLDSTEIN: Your Honor, may we have a
19 brief sidebar? I don't want to violate any rules
20 that we discussed.

:04AM

21 THE COURT: Sure.

22 (Proceedings heard at sidebar on the record.)

23 MR. GOLDSTEIN: Your Honor, this issue of
24 special counsel, I don't want to raise it because as
25 the government said he basically lied. I just want

:11AM

1 to get out the fact that he lied to the FBI.

2 THE COURT: About what.

3 MR. GOLDSTEIN: Saying that he was special
4 counsel to the governor.

5 THE COURT: Okay.

6 MR. GOLDSTEIN: And I don't want to raise
7 it --

8 THE COURT: And he wasn't?

9 MR. GOLDSTEIN: Correct.

10 THE COURT: Okay.

11 MS. HAMILTON: I think that may be the issue
12 is, have you been asked something like in an effort
13 to not -- in an effort to not have to answer any
14 questions, you claimed something that, in fact, was
15 a lie, or something like that.

16 MR. GOLDSTEIN: That's fine.

17 MS. HAMILTON: That might help.

18 THE COURT: That's probably better.

19 MR. GOLDSTEIN: I just didn't want --

20 THE COURT: No, that's fine.

21 (Proceedings resumed within the hearing of the
22 jury.)

23 BY MR. GOLDSTEIN:

24 q Sorry about that, Mr. Harris.

25 A No problem.

1 q On December 9th when the FBI spoke to you, in an
2 effort to stop talking to them, you claimed
3 something that was not true, that was a lie, is that
4 correct?

5 A Correct.

6 q So that basically the first communication you had
7 with the FBI was a lie, is that correct?

8 A About 30 minutes into our meeting.

9 q 30 minutes into your meeting.

10 And you had never spoken with the FBI --
11 strike that.

12 After you were arrested, that was the first
13 you spoke to them, is that correct?

14 A That's correct.

15 q So 30 minutes into it, you lied?

16 A Yes.

17 q Have you ever been charged with that lie?

18 A No.

19 q Now, from the day you were arrested,
20 December 9th, 2008, to approximately April of 2010,
21 you spoke to the government about 31 times, is that
22 correct?

23 A That sounds about right.

24 q And since April of 2010, you continued to speak
25 to the government, is that correct?

1 A Yes.

2 q And that includes the U.S. Attorneys?

3 A Yes.

4 q And the FBI agents, is that correct?

5 A Yes.

6 q And any other federal agencies you spoke to?

7 A No.

8 q Just FBI?

9 A I'm not sure if there were from other branches of
10 the federal government, but I understood them to be
11 agents.

12 q I understand.

13 And since April of 2010, how many times have
14 you spoken to the FBI and/or the U.S. Attorney's
15 office?

16 A A dozen or more.

17 q A dozen or more?

18 A Yes.

19 q Okay. And you've been speaking to them all the
20 way up to today, is that correct?

21 A That's correct.

22 q Did you speak to them over the weekend?

23 A No, sir.

24 q And while you testified last week, you were
25 speaking to them, is that correct?

1 A Yes.

2 q In fact, like when there was a break, you'd go
3 into that room right across the courtroom, is that
4 correct?

5 A Yes; the witness room.

6 q And you would sit with your attorney, correct?

7 A Yes.

8 q And the agents and/or the U.S. Attorneys would
9 come and speak to you some more?

10 A Yes.

11 q And they'd buy you lunch and have lunch and talk
12 about your testimony?

13 A My attorney would buy me lunch.

14 q Oh, okay. That's good.

15 Now, during your discussions, you were
16 talking about your testimony, is that correct?

17 A Yes.

18 q And this is from December '08 all the way to last
19 week, is that correct?

20 A Yes.

21 q Now, it's fair to say that you have a
22 relationship with the government for now about 2 and
23 a half years, is that correct?

24 A I've been talking to them for about 2 and a half
25 years, yes.

Harris - cross by Goldstein

1627

1 q Is it fair to say cooperating?

2 A Yes; very much so.

3 q And the relationship you have with them is about
4 as long as the relationship you had with Rod, is
5 that correct?

6 A well, I believe the nature of the relationship is
7 very different.

8 q How?

9 A I worked for the governor, was close to the
10 governor.

11 q what's your relationship to you?

12 A My relationship to them is, pursuant to our plea
13 agreement where I agree to cooperate fully with them
14 in all my meetings with them are pursuant to that
15 agreement.

16 q Okay. Let's talk about your agreement.

17 This agreement was signed by you May 14th,
18 2010, is that correct?

19 A I don't recall the specific date.

20 q Could I show you the copy of the agreement?

21 A If you would, please.

22 MR. GOLDSTEIN: May I approach, Your Honor?

23 THE COURT: You may.

24 BY MR. GOLDSTEIN:

25 q Let me show you Defendant's Exhibit John Harris

1 Plea Agreement, May 14, 2010.

2 Do you recognize that document?

3 A Yes, I do.

4 q What is that document?

:10AM

5 A It's the plea agreement with the government
6 between myself and the government.

7 q Okay. And in that plea agreement, it details
8 basically your duties under this agreement, correct?

9 A Correct.

:10AM

10 q You can hold on to that.

11 Now, the sentencing guidelines, as indicated
12 in your plea agreement, requires that you be
13 sentenced within 70 and 87 months, is that correct?

14 A Yes.

:10AM

15 q And that's on Page 16 under paragraph D, it says:
16 "Anticipated advisory sentencing guidelines
17 range."

18 A Yes.

:11AM

19 q Okay. But as you understand it, if you
20 cooperate, the government will move for what's
21 called a downward departure, is that correct?

22 A Yes.

23 q Okay. And you have to be truthful in order to
24 get that downward departure, right?

:11AM

25 A Yes.

1 q Now, it's the government that assesses whether
2 you're truthful or not, is that correct?

3 A The government and then ultimately the judge.

4 q Who is the one that has to move for a downward
5 departure?

6 A The government.

7 q Okay. So if the government doesn't move for a
8 downward departure, your range is still 70 to
9 87 months, is that correct, as you understand it?

10 A That's correct.

11 q Okay. And the downward departure gets you to
12 half of that, is that correct?

13 A Yes.

14 q So when we talked about your range, your
15 proximate range right now is 35 months if you
16 cooperate fully with the government, is that
17 correct?

18 A Yes.

19 q And that only happens if they move for this
20 downward departure?

21 A Yes.

22 q And they only move for a downward departure if
23 they, in their estimation, believe that you're
24 cooperating fully and truthfully?

25 MS. HAMILTON: Objection.

1 THE COURT: The objection is sustained.

2 BY MR. GOLDSTEIN:

3 Q Now, that plea agreement, that was signed by you,
4 right?

5 A Yes.

6 Q And your lawyer?

7 A Yes.

8 Q And Ms. Hamilton, is that correct?

9 A Yes.

10 Q As well as Mr. Fitzgerald, is that correct?

11 A Or somebody for him, yes.

12 Q Okay. And you understand the government to be
13 Ms. Hamilton, and Mr. Fitzgerald, and all these
14 people at this table (indicating, is that correct?

15 A That's correct.

16 Q Now, this downward departure, as we've talked
17 about the government's role in that, I have no say
18 in the downward departure, is that correct?

19 A I believe that's correct.

20 Q Okay. And the jury has no say, is that correct?

21 A That's correct.

22 MS. HAMILTON: Objection.

23 THE COURT: The objection is sustained.

24 BY MR. GOLDSTEIN:

25 Q Now, Paragraph 11 of the plea deal, it's on

1 Page 17.

2 Are you there?

3 A Yes.

4 q Okay. On Paragraph 11, on the last sentence, it
5 indicates that "the defendant," which is you,
6 "agrees to the postponement of the sentencing until
7 after the conclusion of his cooperation," is that
8 correct?

9 A That's correct.

10 q It's your understanding that your cooperation has
11 not concluded, is that correct?

12 A That's correct.

13 q Do you know when your cooperation will conclude?

14 A I believe at the end of the disposition of this
15 case.

16 q As soon as something happens with
17 Mr. Blagojevich, that's when your cooperation ends?

18 MS. HAMILTON: Objection.

19 THE COURT: Sustained.

20 BY MR. GOLDSTEIN:

21 q And you agree to postpone it until then, is that
22 correct?

23 A Yes.

24 q And you've been cooperating since late '08, is
25 that correct?

1 A Yes.

2 q Okay. Now, you understand that part of your
3 cooperation is your testimony here, is that correct?

4 A Yes.

5 q And that is, as you understand it, what will
6 determine the government's understanding of whether
7 you've been fully cooperative, is that correct?

8 A Yes.

9 q Now, you said that you're a second year
10 electrician, is that correct?

11 A Apprentice electrician, yes.

12 q What exactly do you do?

13 A I work for an electrical contracting company and
14 my duties include installation of electrical service
15 and distribution service, as well as office work
16 from time to time, I also go to school, apprentice
17 school one night a week.

18 q And the reason why you got that job is to provide
19 for your family, is that correct?

20 A That's correct.

21 q And you'd do anything for your family?

22 MS. HAMILTON: Objection.

23 THE COURT: The objection is sustained.

24 BY MR. GOLDSTEIN:

25 q Well, you do what's best for your family in

1 reference to this legal situation, is that correct?

2 MS. HAMILTON: Objection.

3 THE COURT: Sustained.

4 BY MR. GOLDSTEIN:

:15AM

5 q You indicated that your attorneys are allowed to
6 argue for probation, is that correct?

7 A Yes.

8 q Okay. And probation would mean that you don't go
9 to jail?

:15AM

10 A Yes.

11 q And so basically if you get probation, you would
12 have freedom, is that fair to say?

13 MS. HAMILTON: Objection.

14 THE COURT: It's really a legal question.

:15AM

15 MS. HAMILTON: I'll rephrase.

16 THE COURT: I'm sustaining the objection.

17 BY MR. GOLDSTEIN:

18 q If you would get probation, you would not be
19 incarcerated, is that correct?

:16AM

20 A That's my understanding, yes.

21 q Okay. And you don't want to be incarcerated?

22 A No.

23 q Of course.

:16AM

24 And you understand that the best chance you
25 have of not being incarcerated is to cooperate with

1 the government?

2 A To tell the truth, to cooperate, and to
3 demonstrate to the Court what I hope and believe
4 would be a fair sentence.

:16AM

5 q Tell the truth and cooperate, what are the
6 difference?

7 A Well, they're one in the same.

8 q They're one in the same, but you separated the
9 two.

:16AM

10 A Well, the phrasing is to fully and truthfully
11 cooperate.

12 q Okay. So you're saying those are the same?

13 A Yes.

14 q Okay. But it's not me that determines that, is
15 that correct?

:16AM

16 MS. HAMILTON: Objection.

17 THE COURT: I think we've gone over this,
18 that question. It's sustained.

19 BY MR. GOLDSTEIN:

:17AM

20 q Now, I want to turn your attention to the school,
21 okay, the Academy For Urban School Leadership, do
22 you recall that?

23 A I believe I referred to it as the Chicago
24 Academy.

:17AM

25 q Chicago Academy, okay.

1 This is the school that was in Rahm Emanuel's
2 district, is that correct?

3 A Correct.

4 q Now, you said that you learned about a problem
5 with the school grant, is that correct?

6 A That's correct.

7 q When did you learn about a problem with the
8 school grant?

9 A Sometime in 2006.

10 q Can you narrow it down anymore?

11 A Not at this time, no. I don't believe I recall
12 exactly when. I believe it was close to the fall
13 of 2006.

14 q How did you learn about it?

15 A From Deputy Governor Bradley Tusk and also from a
16 call from staff members in Congressman Rahm
17 Emanuel's office.

18 q And you said that at your best guess it was near
19 the fall of 2006?

20 A Yes.

21 q How certain are you of that?

22 A Not too certain.

23 q You were -- you were apprised that some or all --
24 some of the grants had been approved?

25 what was your understanding as far as how

1 much of the grant, if all or any of it, was approved
2 at this point when you learned from Tusk and other
3 people?

4 A It wasn't clear to me, but that there was a
5 problem with the release of the grant, some or all
6 of it.

7 q Okay. So you don't even know if some or all of
8 the had grant actual gone through, isn't that
9 correct?

10 A That's correct.

11 q You then went to talk to Rod, is that correct?

12 A The governor, yes.

13 q When you spoke to Rod, when was this?

14 You said you have spoken to him two times, is
15 that correct?

16 A No, more than two times.

17 q More than two times about the grant?

18 A Yes.

19 q The first time you spoke to him about the grant,
20 when was this?

21 A Soon after I heard about the problem.

22 q Do you have a date?

23 A No.

24 q A month?

25 A No.

1 q You had mentioned it was the fall, is that
2 correct?

3 A To the best of my recollection, around that time,
4 yes. Late summer or early fall.

5 q Late summer or early fall.

6 And when you spoke to Rod about the school,
7 there was some mention about Tusk may have committed
8 funds without the governor's approval or knowledge,
9 do you recall that?

10 A The governor said something to me to that effect.

11 q Did you follow up on that specific point?

12 A I went and investigated and found that there was
13 a grant that had been approved. I can't tell you
14 who originally proved it.

15 q Okay. Well, when you say approved, you mean the
16 funds had gone through or approved? I'm not
17 following you.

18 A Approved meaning there were monies set aside for
19 that particular grant recipient, for a particular
20 purpose, and that paperwork was in the system.

21 q Where was that money approved from?

22 A From a grant line item in the budget for these
23 types of purposes overseeing and administered by the
24 department of Commerce and Economic Opportunity.

25 q And do you recall when that grant was approved?

1 A Sometime before that. I don't recall the date.

2 q Okay. How about to the point of Tusk may have
3 committed the funds without Rod's knowledge?

4 A That would not be evident in the paperwork.

:20AM

5 q Well, did you speak to Rod about that at all?

6 A I spoke to him about the fact that Bradley Tusk
7 had approached me, told me that the governor was not
8 releasing the funds, or put a hold on the funds, and
9 I asked him about that.

:21AM

10 q Did Rod tell you that the money was actually held
11 up?

12 A I don't believe he told me the money was held up,
13 he told me not to release the money.

14 q Okay. Where was this conversation?

:21AM

15 A Either on the phone or in his office.

16 q Did Rod tell you how the actual -- how the funds
17 were actually held up?

18 MS. HAMILTON: Objection.

19 THE COURT: The objection is sustained.

:21AM

20 You know, there's a certain name similarity
21 here to first names that begin with "r-o," maybe you
22 want to use some last names.

23 BY MR. GOLDSTEIN:

:21AM

24 q When the governor talked to you this first time
25 over the phone, you said you're not exactly sure of

1 the date, were you aware of how the money was
2 actually being held up? Was there an order placed?
3 Was there anything in writing?

4 MS. HAMILTON: Objection.

5 THE COURT: The question is compound.

6 BY MR. GOLDSTEIN:

7 Q Was there anything in writing indicating that
8 this grant was being held up?

9 A No, I said he told me to make sure the grant
10 wasn't released. So he would leave it to me to make
11 sure it wasn't released and the mechanism would
12 be --

13 Q That is when spoke to him on the phone, is that
14 correct?

15 A Or in person. I said I didn't recall which one
16 it was.

17 Q Okay. When you spoke to the governor about this
18 situation and you had learned from Tusk that this
19 was possibly being held up, how did you know from
20 the governor that it was being held up other than
21 talking to him?

22 A Because Bradley told me that the governor had put
23 a hold on the grant, that's all it takes.

24 Q Okay. There's no paperwork or anything to that
25 effect?

1 A Well, it doesn't get released until Bradley or I
2 release it.

3 Q Okay. So Tusk wasn't releasing it?

4 A He told me the governor had put a hold on it and
5 thus was not releasing it, asked me if I could
6 intervene.

7 Q You said it was the Department of Commerce and
8 Economic Opportunity that was providing the grant,
9 is that correct?

10 A Those are the -- that's the agency that
11 administers the grants. There's other people
12 involved in the release of funds, the documenting in
13 the release of funds, maintaining the balances in
14 the grant funds, but the primary agency is the
15 Department of Commerce and Economic Opportunity
16 which we referred as to as DCEO.

17 Q And at this point when you spoke to the governor
18 the first time, you weren't sure whether some of the
19 grant had been approved or -- as far as going
20 through or none of it was?

21 A That's correct.

22 Q Okay. And to this day, you're not sure of that?

23 A That's correct.

24 Q Did you ask the governor why the money was being
25 held up?

1 A I asked him whether or not he had put a hold on
2 it. He told me, yes, he didn't want it released,
3 and that part of his explanation to me was that he
4 believes that Bradley Tusk may have committed more
5 funds or committed a grant that he was not entirely
6 aware of, "he" being the governor.

7 q Did the governor tell you anything about campaign
8 contributions?

9 A No, sir.

10 q Now, you talked about Bradley Tusk. He was the
11 deputy governor at this time?

12 A Yes.

13 q And in 2006 Tusk eventually left the Governor's
14 office, is that correct?

15 A Sometime around the end of 2006, the beginning of
16 2007.

17 q Is it fair to say that Tusk left the office on
18 bad terms?

19 MS. HAMILTON: Objection.

20 THE COURT: Sustained.

21 BY MR. GOLDSTEIN:

22 q As you understood it, what were the circumstances
23 of Tusk leaving the Governor's office?

24 MS. HAMILTON: Objection.

25 THE COURT: Sustained.

1

2 BY MR. GOLDSTEIN:

3 Q Now, you talked about the fall of '06 or maybe
4 late summer, early fall, of '06 that you had this
5 conversation with the governor. You then spoke to
6 him again, is that right?

7 A That's correct.

8 Q When was this discussion?

9 A Soon after the first one. Could've been a day or
10 two after that.

11 Q Okay. So you're not 100 percent certain, but
12 probably in the fall sometime?

13 A Late summer or early fall, again.

14 Q Okay. And the second conversation you had with
15 the governor, you talked to him more about the
16 actual grant again, is that correct?

17 A That's correct.

18 Q And the grant ended up after this discussion
19 going forward, it went forward, is that correct?

20 A Yes.

21 Q Okay. And the money, then, went to the school,
22 is that correct?

23 A Some or all of it. I'm not sure how much
24 ultimately went to the school.

25 Q Okay. And you said that there were multiple

1 grants that had to be approved after that?

2 A No, there was a single grant but multiple
3 releases of monies out of the grant to satisfy
4 invoices that the school either had in its
5 possession or invoices that were coming for work
6 that had already been put in place.

7 q Okay.

8 A It was limited to those types of circumstances.

9 q And those invoices that you saw, they ended up
10 totaling about \$2 million, is that correct?

11 A I don't recall the total of the invoices.

12 q Okay. Are you aware that the school ended up
13 getting all their money?

14 MS. HAMILTON: Objection.

15 THE COURT: The objection is sustained.

16 BY MR. GOLDSTEIN:

17 q Are you aware that the school actually built what
18 they wanted the grant for?

19 MS. HAMILTON: Objection.

20 THE COURT: Sustained.

21 BY MR. GOLDSTEIN:

22 q Now, you talked about that you thought it was
23 early fall. You had, as we talked about, several
24 conversations with the FBI, is that correct?

25 A Yes.

1 q And on February 20th, 2009, you spoke with the
2 government and the FBI, is that correct?

3 A I don't recall the specific date, but there were
4 several dates that I spoke to them on.

5 q Okay. And you told them that you thought the
6 grant for the charter school in Emanuel's district
7 came up during your transition with former deputy
8 governor Bradley Tusk sometime in late 2006, but
9 that it possibly could have spilled over into early
10 2007, did you tell the agents and the government
11 that?

12 A I don't recall right now what dates I told them.
13 To the best of my recollection, it was sometime in
14 2006.

15 MR. GOLDSTEIN: May I have a moment, Your
16 Honor?

17 THE COURT: Yeah.

18 (Brief pause).

19 MR. GOLDSTEIN: May I approach?

20 THE COURT: You may.

21 MS. HAMILTON: Your Honor, I'm going to
22 object. I don't think this is impeaching. He was
23 very clear that he wasn't certain of the time frame.

24 MR. GOLDSTEIN: Could I ask him to refresh
25 his recollection?

Harris - cross by Goldstein

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1 THE COURT: You can ask him to look at it,
2 sure.

3 BY MR. GOLDSTEIN:

4 Q Mr. Harris, I'm showing you a report of an
5 interview that you had with the federal government.
6 This indicates that it was on February 20, 2009,
7 does that refresh your recollection about when you
8 had a conversation with the FBI?

9 A Can you please show me? Because I see a date
10 here of March 4th.

11 Q That was the date of the transcription, this is
12 the day of the actual interview.

13 A I see it's February 20th on the document, yes.

14 Q Now, if I could just turn -- sorry about that.

15 Turn to Page 13 of your interview, and I want
16 you to look at the first paragraph, right around the
17 middle, starting at "again" and I'd like you to read
18 that sentence.

19 THE COURT: To yourself.

20 BY MR. GOLDSTEIN:

21 Q Yes, to yourself, and see if that refreshes your
22 recollection as to when this grant issue came up.

23 (Brief pause).

24 BY THE WITNESS:

25 A Yes.

1

2 BY MR. GOLDSTEIN:

3 Q Now is your memory refreshed as to when this
4 issue came up?

:30AM

5 THE COURT: Go back to the lectern.

6 BY THE WITNESS:

7 A Sometime in late 2006.

8 BY MR. GOLDSTEIN:

:30AM

9 Q So the grant issue, now as your memory is
10 refreshed, came up more late in 2006, is that
11 correct?

12 A Yes.

13 Q And that corresponds with your conversations with
14 the governor, is that correct?

:31AM

15 A Yes.

16 Q Now, I want to move on to another subject, and
17 that is the issue of Patti and her work, okay.

18 Do you remember testifying about that?

19 A Yes, I do.

:31AM

20 Q Now, basically, as I understand it, you had
21 conversations, maybe even several conversations,
22 with the governor and Patti about getting a job in
23 2008, is that fair to say?

24 A Yes.

:31AM

25 Q And one of the things that was motivating it, as

1 you understood it, was that the Blagojeviches were
2 having financial trouble?

3 A Yes, that's what I would say from the governor,
4 yes.

:31AM

5 q Okay. And he had basically complained to you
6 about Patti not being able to get a job, is that
7 fair to say?

8 A Not being able to get real estate business and
9 that her real estate business had been suffering.

:32AM

10 q Now, as you knew, Patti Blagojevich was a
11 licensed realtor, is that correct?

12 A Yes.

13 q And a licensed appraiser, is that correct?

14 MS. HAMILTON: Objection; relevance.

:32AM

15 MR. GOLDSTEIN: It goes to his understanding
16 as to how her business --

17 THE COURT: It's sustained.

18 BY MR. GOLDSTEIN:

:32AM

19 q And you understood she had this real estate
20 business, correct?

21 A Yes.

22 q And it was struggling?

23 A Yes.

:32AM

24 q So the governor would talk to you about if there
25 was any way she can get a job in some way, is that

1 correct?

2 A That's correct.

3 q Now, you spoke about the Pollution Control Board,
4 is that correct?

5 A That's correct.

6 q Now, did the governor ever direct you to put
7 Patti on the Pollution Control Board?

8 A No.

9 q Did the governor or anyone in his stead direct
10 you to put Patti on the Pollution Control Board?

11 A No, he simply told me to be prepared to do so.

12 q Okay. And did she ever get appointed to the
13 Pollution Control Board?

14 A No.

15 q Did Patti ever get a job within the state?

16 A No.

17 q Other than her duties as First Lady?

18 A No.

19 q Do you know as official title, "first lady,"
20 she's not paid for that, is that correct?

21 A That's correct.

22 q There's certain obligations but there is no
23 compensation?

24 A That's correct.

25 q Now, you said you had several conversations about

1 these jobs, is that correct?

2 A That's correct.

3 q And when it came to the Pollution Control Board,
4 you said, or a job with the state generally, that it
5 was a bad political idea but it was legal, is that
6 correct?

7 MS. HAMILTON: Objection.

8 THE COURT: The objection is sustained.

9 BY MR. GOLDSTEIN:

10 q Did you have any conversations about how it would
11 look, the appearance of how it would look if Patti
12 were working with the state?

13 A I had a discussion with him about
14 Mrs. Blagojevich working for the governor on his
15 staff, that that would be problematic
16 appearance-wise, specially because we had staff
17 meetings early in the morning and late in the
18 afternoon and early evening. He suggested to me
19 that perhaps sometime she could work from home where
20 he was at. I told him that would be a problem.

21 q But appearance-wise, you meant politically how
22 the public would view this, is that correct?

23 MS. HAMILTON: Objection.

24 THE COURT: The objection is sustained.

25 BY MR. GOLDSTEIN:

1 q Did you have any concerns of how it would look as
2 far as the public's view?

3 MS. HAMILTON: Objection.

4 THE COURT: Sustained.

5 BY MR. GOLDSTEIN:

6 q Now, you also talked about these financial
7 institutions, Citibank and Ariel Investments, is
8 that correct?

9 A Yes.

10 q And this came about because Patti received her
11 Series 7 license, is that correct?

12 A Yes.

13 q And that, as I understand it, that qualified her
14 to exchange in securities, is that correct?

15 A I'm not sure. I understood it involved trading
16 in securities.

17 q Okay. Now, the governor asked you if you knew
18 anyone in the business community that could help
19 guide her to getting a job, is that correct?

20 A Yes. Among other conversations, that was one of
21 them, yes.

22 q There were several conversations, is that fair?

23 A That's correct.

24 q Now, one person you forwarded Patti to is Ray
25 Kljajic, is that correct?

1 A That's correct.

2 Q And he worked for Citibank?

3 A Yes.

4 Q And they ended up -- Ray Kljajic and Patti had a
5 meeting together, to your understanding, is that
6 correct?

7 A Correct.

8 Q You weren't present for the meeting, is that
9 correct?

10 A I made the introduction and left.

11 Q Okay. And it was your understanding that Patti
12 couldn't work for any business that did business
13 with the State of Illinois, is that correct?

14 A I advised the governor against that.

15 Q Well, the governor had signed an executive order
16 preventing that, isn't that correct?

17 MS. HAMILTON: Objection.

18 THE COURT: Sustained.

19 BY MR. GOLDSTEIN:

20 Q The point of the meeting with Kljajic was to help
21 her direct towards finding a job, is that correct?
22 Assisting her?

23 A Mr. Kljajic and I discussed the nature of the
24 meeting beforehand. And I asked him if he would
25 tell her about the industry, what he's learned,

1 about he knows about it, where potential
2 opportunities may exist, but that in the nature of
3 the work.

4 q Okay. And as you understood, that was what the
5 conversation was between Patti and Kljajic, is that
6 correct?

7 A That's what I understood, yes.

8 q Now, did Patti ever get a job with Citibank?

9 A No.

10 q You said you had a conversation with the governor
11 where he said some things about Citibank, is that
12 correct?

13 A Correct.

14 q When was this conversation?

15 A This was sometime after the meeting with
16 Mr. Kljajic.

17 q And when was the meeting with Mr. Kljajic?

18 A Sometime in spring of 2008, to the best of my
19 recollection.

20 q So there was a meeting with Patti and Kljajic,
21 correct?

22 A Correct.

23 q And then sometime after that the governor spoke
24 to you expressing anger that he wasn't helping her,
25 is that fair to say?

1 A He was frustrated.

2 Q He was frustrated.

3 And you said that he made a comment that they
4 shouldn't get any work with the state, is that
5 correct?

6 A Not initially. Initially, he talked to me about
7 the fact that Ray Kljajic wasn't getting back to
8 Patti and asked me to look into that.

9 I told him I understood that there was no
10 follow-up to the meeting expected by Mr. Kljajic,
11 but I would look into it. And after I looked into
12 it, the governor had another conversation with me
13 about it.

14 Q Okay. And this is, again, probably in the spring
15 of 2008?

16 A Spring, perhaps early summer.

17 Q Early summer?

18 A Spread over several weeks.

19 Q Okay. And that conversation, then, that I'm
20 talking about as far as the governor told you that
21 Citibank shouldn't do any business with the state,
22 is that correct?

23 A Shouldn't get anymore business with the state.

24 Q Shouldn't get anymore business with the state.

25 And you testified that you took that as a directive,

1 an order?

2 A Yes.

3 q In fact, the summer of 2008, Citibank actually
4 got a multimillion dollar bond deal, is that
5 correct?

6 A Yes.

7 q Patti never got a job with Ariel Investments
8 either, is that correct?

9 A No.

10 q There was -- did she meet with Mr. Rogers, to
11 your knowledge?

12 A Not to my knowledge.

13 q Now, you understood that Patti could've also
14 worked for the Friends of Blagojevich office, is
15 that correct?

16 MS. HAMILTON: Objection.

17 THE COURT: The objection is sustained.

18 BY MR. GOLDSTEIN:

19 q Now, I want to change subjects again.

20 You talked about a sense of urgency in
21 fundraising around late 2007, 2008, for the
22 governor?

23 A Yes.

24 q Okay. When exactly, if you can pinpoint it, when
25 this urgency came to your knowledge?

1 A At a meeting I was present at where the governor
2 was discussing with his counsel the invoice that was
3 going to be sent, a bill that was going to be sent
4 from the law firm representing the governor and his
5 campaign.

6 Q And when was that meeting?

7 A Sometime in the fall late 2007.

8 Q Fall of 2007.

9 Okay. And in your experience, you worked
10 under Mayor Daley, is that correct?

11 MS. HAMILTON: Objection.

12 THE COURT: The objection is sustained.

13 BY MR. GOLDSTEIN:

14 Q Have you ever met a politician who didn't have a
15 sense of urgency when it came to fundraising?

16 MS. HAMILTON: Objection.

17 THE COURT: The objection is sustained.

18 This is not an expert witness. If you want
19 to put an expert witness on the stand, you're
20 welcome to do that.

21 BY MR. GOLDSTEIN:

22 Q Now, you talked about -- in 2006 the governor ran
23 for reelection, is that correct?

24 A That's correct.

25 Q And you talked about the war chest of the

1 governor, as well as politicians in general, is that
2 correct?

3 A That's correct.

4 q And you talked about how a war chest is important
5 for reelection, number one, right?

6 A Right.

7 q And for signifying power to opponents or the
8 public in general, is that right?

9 A That's fair.

10 q Okay. And as you understand it, a politician
11 with basically a zero war chest has very little
12 power?

13 MS. HAMILTON: Objection.

14 THE COURT: Sustained.

15 BY MR. GOLDSTEIN:

16 q One of the big reasons that you understood there
17 was a sense of urgency was the legislature was
18 starting to discuss impeachment in '07, do you
19 recall that?

20 A Yes.

21 q And a big reason this impeachment was going on is
22 because the governor was doing things to go around
23 the legislature, is that fair to say?

24 MS. HAMILTON: Objection.

25 THE COURT: The objection is sustained.

Harris - cross by Goldstein

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1

2 BY MR. GOLDSTEIN:

3 q Now, you talked about the ethics bill, do you
4 recall talking about that?

5 A Yes, I do.

6 q And that was in 2008?

7 A There was a version in 2007 and then it came back
8 during the legislative session of 2008.

9 q Okay.

10 MR. GOLDSTEIN: Your Honor, with your
11 permission, if I could publish Government Exhibit
12 Ethics Legislation.

13 (Brief pause).

14 THE COURT: Without objection.

15 MR. GOLDSTEIN: Thank you.

16 (Exhibit published to the jury.)

17 MR. GOLDSTEIN: Can everyone see that okay?
18 Could we maybe dim the lights?

19 (Brief pause).

20 MR. GOLDSTEIN: Thank you.

21 Is that good? Okay.

22 BY MR. GOLDSTEIN:

23 q Now, I'm showing you, and we're putting it on the
24 big screen here, Mr. Harris, Government Exhibit
25 Ethics Legislation.

1 Do you recall testifying about that?

2 A I recall testifying about the ethics bill, I'm
3 not sure what this document is, though.

4 Q Well, this is basically the bill status, it goes
5 through when it was passed, who the sponsors are,
6 and it's an eight-page document.

7 A Okay.

8 Q Okay. Now, I want to go to Page 2 here.

9 MS. HAMILTON: Judge, could I ask the witness
10 to be handed a copy of the document?

11 THE COURT: Yeah, that would be helpful.

12 MR. GOLDSTEIN: I apologize.

13 May I approach.

14 THE COURT: You may.

15 MR. GOLDSTEIN: Sorry about that.

16 BY MR. GOLDSTEIN:

17 Q Now, I want to go into it just a little bit.

18 The ethics bill was passed in late September
19 of 2008, is that correct?

20 A Final action by the General Assembly was in late
21 September of 2008.

22 Q And the governor was not opposed to it entirely,
23 is that fair to say?

24 MS. HAMILTON: Objection.

25 THE COURT: The objection is sustained.

1 BY MR. GOLDSTEIN:

2 q well, the ethics bill basically limited the
3 governor's ability to fundraise, is that a fair
4 assessment of the bill?

5 A Yes.

6 q Okay. And he worked with Emil Jones to make sure
7 it didn't get passed because he thought it was
8 unfair, is that correct?

9 MS. HAMILTON: Objection.

10 THE COURT: Objection to the form of the
11 question is sustained.

12 BY MR. GOLDSTEIN:

13 q As you understood it, the governor worked with
14 Senate President Emil Jones to prevent this bill
15 from going forward, is that correct?

16 A That's correct.

17 q Okay. Do you understand why he worked with Emil
18 Jones to prevent this from going forward?

19 MS. HAMILTON: Objection.

20 THE COURT: The objection is sustained.

21 BY MR. GOLDSTEIN:

22 q well, Emil Jones ended up, as you said before,
23 double crossed the governor, is that correct?

24 A I don't know if I used the word "double crossed"
25 or "betrayed."

1 q Betrayed.

2 A It was the same effect.

3 q Betrayal sounds better.

4 As you understood it, Emil betrayed the
5 governor?

6 A Yes.

7 q And the betrayal was that Emil and the governor
8 had an agreement that Emil was not going to call
9 this bill, is that correct?

10 A Yes, that he wouldn't call it for a veto
11 override.

12 q Correct.

13 And the governor, in his discussions with
14 Emil that you're aware of, would've just signed the
15 bill if Emil hadn't gone forward with calling the
16 bill?

17 MS. HAMILTON: Objection.

18 THE COURT: The objection is sustained.

19 BY MR. GOLDSTEIN:

20 q Well, I want you to look at Page 2 of the bill,
21 and that's towards the bottom.

22 Are you there?

23 A Yes.

24 q Okay. And it says "governor mandatory veto," do
25 you see that?

1 A Yes.

2 q Now, that basically is the governor's mandatory
3 veto of the bill, is that correct?

4 A That's correct.

5 q Can you just briefly explain what a mandatory
6 veto is?

7 A A mandatory veto is when the governor does not
8 approve the bill as written, writes in changes to
9 the bill, and sends it back to both the House and
10 Senate for their consideration of his changes.

11 The effect of a mandatory veto is that if the
12 General Assembly does not accept the governor's
13 recommended changes -- well, they have two options,
14 they could either accept his or her changes with the
15 simple majority or they can vote to override with a
16 super-majority, but if they take no action, the bill
17 dies.

18 I should say there's three options: Taking
19 no action, accepting his changes, or voting to
20 override his changes which would mean the bill goes
21 back to its original language.

22 q So if a governor makes a mandatory veto and the
23 legislature takes no action, the bill just does not
24 pass, in total?

25 A Correct.

1 q Okay. No, did you work with the governor in
2 preparing a mandatory veto?

3 MS. HAMILTON: Objection.

4 THE COURT: The objection is sustained.

5 BY MR. GOLDSTEIN:

6 q Well, as you understood it, you were aware of
7 what the governor's mandatory veto is, is that
8 correct?

9 MS. HAMILTON: Objection.

10 THE COURT: Sustained.

11 BY MR. GOLDSTEIN:

12 q Well, let's go over the mandatory veto, and it
13 starts on the bottom paragraph, and it indicates
14 that the Illinois government ethics act, which is
15 what we're talking about --

16 MS. HAMILTON: Judge, I'm going to object on
17 relevance.

18 THE COURT: I'm sustaining the objection.

19 BY MR. GOLDSTEIN:

20 q As you understand the mandatory veto, this wasn't
21 trying to overrule the entire bill, is that correct?

22 MS. HAMILTON: Objection.

23 THE COURT: Sustained.

24 BY MR. GOLDSTEIN:

25 q Are you aware -- well, there was a concern within

1 the Governor's office that this bill was even legal,
2 is that correct?

3 MS. HAMILTON: Objection.

4 THE COURT: The objection is sustained.

5 BY MR. GOLDSTEIN:

6 q Are you aware of the status of the bill right
7 now?

8 MS. HAMILTON: Objection.

9 THE COURT: Sustained.

10 BY MR. GOLDSTEIN:

11 q Now, I want to talk to you about the Capital bill
12 a little bit and the tollway plan, okay.

13 Now, the Capital bill you testified a little
14 about. Do you understand what the Capital bill was
15 as it was proposed in 2008?

16 A In 2008?

17 q Correct.

18 A Yes.

19 q Okay. What exactly was the Capital bill?

20 A The Capital bill is a state-wide infrastructure
21 improvement bill or legislation that provides for
22 the funding and the identification of projects
23 throughout the state to improve infrastructure,
24 roads, bridges, rail lines, schools, hospitals,
25 waterways, sewers, local public facilities,

1 libraries.

2 q Okay. So compared to --

3 A A public programs project.

4 q Infrastructure, generally?

5 A Yes.

6 q And the Capital bill as compared to the tollway
7 plan was much more expansive, is that fair to say?

8 A Yes.

9 q And as you understood it, this was something that
10 the governor wanted?

11 MS. HAMILTON: Objection.

12 THE COURT: The objection is sustained.

13 BY MR. GOLDSTEIN:

14 q Well, the capital bill went through the Illinois
15 Senate in 2007, is that correct?

16 A A version of the Capital bill did, yes.

17 q Another version, then, went through the Senate in
18 2008, is that correct?

19 A That's correct.

20 q And it went to the House, is that correct?

21 A On both occasions.

22 q Okay. And was there a vote in the House on the
23 Capital bill on both occasions?

24 A No.

25 q So it was never put up for a vote?

1 A Correct.

2 q Do you know why?

3 MS. HAMILTON: Objection.

4 THE COURT: Sustained.

5 BY MR. GOLDSTEIN:

6 q Well, was a big road block Mike Madigan?

7 MS. HAMILTON: Objection.

8 THE COURT: Sustained.

9 BY MR. GOLDSTEIN:

10 q Was it difficult during this time period for the
11 governor to get any of his legislation passed in the
12 House?

13 MS. HAMILTON: Objection.

14 THE COURT: Sustained.

15 BY MR. GOLDSTEIN:

16 q Well, you talked about the tollway plan and you
17 said there were three possible plans, is that
18 correct?

19 A Eventually we developed three alternatives for
20 the governor's consideration.

21 q And you said that the smallest plan was the one
22 that the governor went along with, is that correct?

23 A That's correct.

24 q And all three of these plans were discretionary,
25 is that correct?

1 A I'm not sure what you mean by "discretionary."

2 q The governor didn't have to do any of these
3 plans, is that correct?

4 A He didn't need to support any plan, that's
5 correct.

6 q And the smallest plan, there were many reasons
7 why the smallest plan was picked, is that correct?

8 A Yes.

9 q Okay. And the smallest plan did not require any
10 legislative approval, is that correct?

11 A That's correct.

12 q As opposed to the two others, is that correct?

13 A That's my understanding, yes.

14 q And as you understood it then, the governor was
15 not getting a lot of his bills passed?

16 MS. HAMILTON: Objection.

17 THE COURT: The objection is sustained.

18 BY MR. GOLDSTEIN:

19 q Well, a big reason why the 1.8 billion dollar
20 plan was --

21 MS. HAMILTON: Objection.

22 THE COURT: Yes. Don't go there. I mean,
23 there's a way you can approach this, but not with
24 him.

25 BY MR. GOLDSTEIN:

1 q Okay. Now, the smallest plan, \$1.8 billion, was
2 the only plan of the three that was allowed to be
3 done without legislative approval?

4 A Well, much of the second phase, but I'm not sure
5 about all of it, could have been done -- I'm sorry,
6 the second alternative. I don't believe a third
7 plan, the largest, could be done without legislative
8 approval, but each plan was built on the proceeding
9 plan. In other words, they were modular, if you
10 will. A smaller plan is a subset of the middle
11 plan, and the middle plan is a subset of the larger
12 plan.

13 q The three plans, only the \$1.8 billion plan, in
14 total, could be done solely by the governor, is that
15 correct?

16 A By the governor through the governor's appointed
17 Illinois Tollway Authority Board.

18 q without legislative approval?

19 A That was my understanding, yes.

20 q The 1.8 billion dollar plan also did not raise
21 general toll rates, is that correct?

22 A To the best of my recollection, it did not raise
23 general toll rates.

24 q It raised other rates like commercial, is that
25 correct?

1 A It had elements of increased tolls for commercial
2 trucks, it also had increased tolls for vehicles
3 using the high occupancy vehicle lanes or hot lanes,
4 those are commuter lanes or bus-only lanes, those
5 were elements in the smaller plan.

6 So the tolls for usage of dedicated lanes for
7 vehicles with more than one passenger, they would
8 pay a premium depending on the time of day and
9 location of that extra pavement or those extra
10 lanes.

11 q But as you understood it, it didn't increase the
12 rates for general use?

13 MS. HAMILTON: Objection.

14 THE COURT: The objection is sustained.

15 BY MR. GOLDSTEIN:

16 q Also, as you understood it, there was an issue as
17 to trying to get the Capital bill passed, is that
18 correct?

19 A Yes.

20 q And there was a concern that if you went forward
21 with these larger plans, that potentially the people
22 wouldn't fight as hard for the capital bill, is that
23 a fair assessment?

24 A Certain interested parties, the belief was, they
25 would be less motivated to engage in a fight to get

1 the larger capital bill passed.

2 q And you understood that was something the
3 governor wanted?

4 A Yes.

5 q And the governor had been talking about various
6 different tollway plans throughout this year, is
7 that correct?

8 MS. HAMILTON: Objection.

9 THE COURT: The objection is sustained.

10 BY MR. GOLDSTEIN:

11 q Are you aware of a gas relief plan that the
12 governor put forward?

13 MS. HAMILTON: Objection.

14 THE COURT: The objection is sustained.

15 BY MR. GOLDSTEIN:

16 q Now, do you know who Gerald Krozel is?

17 A Yes.

18 q He was an influential individual in Springfield,
19 is that right?

20 A He was one of many representatives of the road
21 builder industry.

22 q Is it fair to say he was the guy who was
23 potentially engaged in trying to get the capital
24 bill passed?

25 MS. HAMILTON: Objection.

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1 THE COURT: The objection is sustained.

2 BY MR. GOLDSTEIN:

3 q Are you aware of a plan to build the western
4 access to O'Hare Airport?

5 MS. HAMILTON: Objection.

6 THE COURT: The objection is sustained.

7 BY MR. GOLDSTEIN:

8 q I want to change subjects with you.

9 MR. GOLDSTEIN: I don't know, do you want to
10 go another couple of minutes? I'm changing subjects
11 and I don't know if this is a time to break or not.

12 THE COURT: Good suggestion. Let's take a
13 break.

14 THE MARSHAL: All rise.

15 (The following proceedings were had out of the
16 presence of the jury in open court:)

17 THE COURT: Twenty minutes.

18 (Recess.)

19 THE MARSHAL: All rise.

20 (The following proceedings were had in the
21 presence of the jury in open court:)

22 THE COURT: Please be seated.

23 You may resume.

24 MR. GOLDSTEIN: Thank you, Your Honor.

25 BY MR. GOLDSTEIN:

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1 A Mr. Harris, I want to talk to you about the
2 racetrack issue, but before we go there I just have
3 one question about the tollway plan.

4 You spoke about the green lanes, do you
5 recall talking about that, and that was in the 1.8
6 billion dollar plan?

7 A I believe there were some green lanes or hot
8 lanes in the smaller program.

9 Q And the green lanes or hot lanes indicated like
10 car pools, is that fair to say?

11 A That's fair.

12 Q And you said the toll rates increased in the
13 green lanes, is that correct?

14 MS. HAMILTON: Objection.

15 THE COURT: The objection is sustained.

16 BY MR. GOLDSTEIN:

17 Q Did you say anything about the tolls in there,
18 whether they increase or not in the green lanes?

19 MS. HAMILTON: Objection.

20 THE COURT: To the form of the question is
21 sustained.

22 BY MR. GOLDSTEIN:

23 Q Is it true that the green lanes would have toll
24 increases?

25 MS. HAMILTON: Objection; relevance.

1 THE COURT: Sustained.

2 BY MR. GOLDSTEIN:

3 q Do you recall talking in direct examination about
4 the green lanes and the toll increases?

5 A Yes.

6 q And following up with what you said in direct
7 examination, I want to ask you a question or two,
8 okay?

9 A I don't believe I said it in direct examination,
10 I said it in response to your earlier
11 cross-examination question.

12 q Okay.

13 The tolls increased for people that weren't
14 car pooling in those hot lanes, is that correct?

15 MS. HAMILTON: Objection; relevance.

16 THE COURT: The objection is sustained.

17 BY MR. GOLDSTEIN:

18 q Now, I want to go on to the racetrack issue with
19 you.

20 Now, as you understood it, the bill passed
21 the House and Senate November 20th of 2008, is that
22 correct?

23 A Yes, sometime in November it passed, had final
24 action in the General Assembly.

25 q And then it was November 24th that it came before

1 the governor, is that correct?

2 A Based on the documents I saw, I believe it
3 arrived in the Governor's office on or about
4 November 22nd.

:24AM

5 q Now, you said that there were people calling you,
6 in particular, about this bill, is that correct?

7 A There was a few people that called me, yes.

8 q And the three people I think you mentioned were
9 Jay Hoffman, Lon Monk, and Chris Kelly, is that
10 correct?

:25AM

11 A That's correct.

12 q And Jay Hoffman, he was a downstate
13 representative?

14 A Yes.

:25AM

15 q And Lon Monk was the governor's good friend, as
16 well as a lobbyist for Johnny Johntson, as you
17 understood it, is that correct?

18 A That is my understanding.

19 q As well as Chris Kelly?

:25AM

20 A That's correct.

21 q Now, in 2008, did Chris Kelly have any official
22 capacity with the Governor's office?

23 A With the Governor's office?

24 q Correct.

:25AM

25 A No.

1 q Now, you -- I'm sorry.

2 You said that Chris Kelly called you and it
3 was sometime after the bill was sent to the
4 Governor's office, is that correct?

5 A I believe so, yes.

6 q And as you recall it, Chris Kelly urged the
7 governor, through you, to sign the bill sooner
8 rather than later, that's correct?

9 A That's correct.

10 q And he told you that it was personal, is that
11 correct?

12 MS. HAMILTON: Objection.

13 THE COURT: The objection is sustained.

14 BY MR. GOLDSTEIN:

15 q During this time in 2008, were you having a lot
16 of contact with Chris Kelly?

17 MS. HAMILTON: Objection.

18 THE COURT: Overruled.

19 BY THE WITNESS:

20 A No, not much.

21 BY MR. GOLDSTEIN:

22 q Were you surprised to get a call from Chris
23 Kelly?

24 A It had been a while since I heard from him, yes.

25 q When you say a while, about how long?

1 A weeks, months.

2 q And is it fair to say that contact between you
3 and Chris Kelly dropped off significantly after his
4 indictment for tax fraud?

5 MS. HAMILTON: Objection.

6 THE COURT: The objection is sustained.

7 BY MR. GOLDSTEIN:

8 q Your last face-to-face meeting with Chris Kelly
9 was in the fall of 2007, is that correct?

10 MS. HAMILTON: Objection.

11 THE COURT: The objection is sustained.

12 BY MR. GOLDSTEIN:

13 q When was the last time you had contact with Chris
14 Kelly where Chris Kelly was advocating for a bill?

15 MS. HAMILTON: Objection.

16 THE COURT: The objection is sustained.

17 BY MR. GOLDSTEIN:

18 q And it was your understanding that Mr. Kelly was
19 advocating for the signature of this bill?

20 A Yes.

21 q Now, were you aware at the time that Chris Kelly
22 and the governor had no contact at that time?

23 MS. HAMILTON: Objection.

24 THE COURT: Sustained.

25 BY MR. GOLDSTEIN:

1 q Were you aware that the governor was receiving
2 scrutiny from the media with his contact with Chris
3 Kelly?

4 MS. HAMILTON: Objection.

5 THE COURT: Sustained.

6 BY MR. GOLDSTEIN:

7 q Are you aware that Chris Kelly had a business
8 relationship with the racetrack?

9 MS. HAMILTON: Objection.

10 THE COURT: Sustained.

11 BY MR. GOLDSTEIN:

12 q Are you aware of any interest Chris Kelly had in
13 this bill other than wanting it signed?

14 MS. HAMILTON: Objection.

15 THE COURT: It would be nice if you stuck to
16 what occurred in the direct examination and to
17 matters which are relevant to the case.

18 BY MR. GOLDSTEIN:

19 q You talked about people calling, in direct
20 examination, people calling you about getting this
21 bill signed, is that correct?

22 A That's correct.

23 q You had been called before about other bills to
24 get signed, is that fair?

25 MS. HAMILTON: Objection.

1 THE COURT: The objection is sustained.

2 BY MR. GOLDSTEIN:

3 q Was this unique to you that three people were
4 calling to have the bill signed?

5 MS. HAMILTON: Objection.

6 THE COURT: Sustained.

7 BY MR. GOLDSTEIN:

8 q Now, were you aware of the governor's position as
9 to the bill?

10 A Yes.

11 q And the governor was in favor of the bill, is
12 that correct?

13 A Yes.

14 q And did the governor ever express any desire to
15 veto the bill to you?

16 A No.

17 q And around this time, there were hundreds of
18 bills before him, is that correct? During this veto
19 session?

20 A Yes, the bills come in continually, various
21 points in time during the year, but it's not unusual
22 to have several hundred bills pending.

23 q From November 24, 2008 to December 9, 2008, are
24 you aware of any bill that was signed by the
25 governor?

1 MS. HAMILTON: Objection.

2 THE COURT: Sustained.

3 BY MR. GOLDSTEIN:

4 q You talked about the impacts that this bill had
5 on the racetrack industry, is that correct?

6 A The bill was designed to provide a continuing
7 subsidy to the racetracks from the casino industry.

8 q When you say subsidy, this wasn't money that the
9 racetrack earned in any way, is that correct?

10 A Yes, this was racetrack money that would go
11 to the -- I'm sorry, this would be casino money that
12 went to the racetracks.

13 q Okay. Now, do you have the call binder in front
14 of you?

15 A Yes.

16 q Okay. Good.

17 I want to turn your attention to tab 56.

18 MR. GOLDSTEIN: If everyone could go to tab
19 56?

20 BY THE WITNESS:

21 A 56 you said?

22 BY MR. GOLDSTEIN:

23 q Correct.

24 MR. GOLDSTEIN: Is everyone there?

25 BY MR. GOLDSTEIN:

1 q Are you there, Mr. Harris?

2 A Yes, I am.

3 q Okay. Now, this call took place on December 2nd,
4 2008, is that correct?

5 A That's correct.

6 q And that's between you and Mr. Quinlan?

7 A That's correct.

8 q Who is Mr. Quinlan?

9 A The governor's general counsel.

10 q Was Mr. Quinlan a friend of yours?

11 A Yes.

12 q And on the second line of Page 1, Mr. Quinlan
13 says:

14 "You know, I also with our mutual boss push that
15 other thing we were talking about generally."

16 When Mr. Quinlan said "mutual boss," what
17 did you understand him to be referring to?

18 A The governor.

19 q Okay. And it goes on, and on line 18 Quinlan
20 says:

21 "Yeah, yeah, so I will work on that day. I
22 didn't have a chance to be, like, are you f'ing
23 kidding me, you know what I mean? It was like
24 a two-second thing and I had the other two
25 right there and I, it wasn't a discussion I

1 wanted to have in front of people."

2 when Mr. Quinlan says "a two-second thing"
3 what did you understand him to be talking about?

4 A That his conversation with the governor had been
5 brief.

6 q He had a brief conversation, as you understood
7 it, is that correct?

8 A Yes.

9 q And in this conversation, or at least the
10 transcript that we have, there's nothing
11 specifically discussed as to what you guys are
12 talking about, is that correct?

13 A No, he's referring back to our earlier
14 conversation.

15 q Okay. So as I understand it, and based on this
16 conversation, you then took no action, you didn't go
17 speak to the governor anymore about the Recapture
18 Bill, is that correct?

19 A That's correct.

20 q And this was based on what you understood
21 Mr. Quinlan to have a very brief conversation with
22 the governor, correct?

23 A Yes.

24 q Okay. And he understood, as you understood, that
25 this brief conversation was referring to what was

1 potentially your concern from an earlier
2 conversation with Mr. Quinlan?

3 A Yes.

4 q Did that make any sense?

5 A Yes, it did.

6 q Okay. Before this conversation goes in, you
7 actually are talking about Chris Kelly, do you
8 recall that?

9 MS. HAMILTON: Objection.

10 THE COURT: The objection is sustained.

11 BY MR. GOLDSTEIN:

12 q Now, after December 2nd, 2008, did you ever
13 follow up with the governor on the issue of
14 recapture?

15 MS. HAMILTON: Objection.

16 THE COURT: The objection is sustained.

17 BY MR. GOLDSTEIN:

18 q Did you ever talk to the governor specifically
19 about this issue --

20 MS. HAMILTON: Objection.

21 BY THE WITNESS:

22 A After this call?

23 MR. GOLDSTEIN: Sorry, there's an objection.
24 (Brief pause).

25 THE COURT: Did you mean after this call?

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1 MR. GOLDSTEIN: I'll specify.

2 BY MR. GOLDSTEIN:

3 q After this call.

4 THE COURT: Your objection still stands?

5 MS. HAMILTON: No.

6 BY THE WITNESS:

7 A No.

8 BY MR. GOLDSTEIN:

9 q Okay. Can I ask before this call, did you have
10 any conversations with the governor about the
11 Recapture Bill?

12 A Yes, the racetrack bill in an earlier call --

13 q Okay.

14 A -- related to his conversation and my
15 conversation with Lon Monk.

16 q Were you ever told by the governor that this
17 Recapture bill was being held up for campaign
18 contributions?

19 MS. HAMILTON: Objection.

20 THE COURT: You're asking if the governor
21 ever used those specific words, is that the question
22 you're asking?

23 MR. GOLDSTEIN: Correct, Judge.

24 THE COURT: You can answer that.

25 BY THE WITNESS:

1 A No, he did not use those specific words.

2 BY MR. GOLDSTEIN:

3 Q Now, as you understand it, as Chief of Staff, as
4 the Governor of Illinois there is nothing requiring
5 him to sign a bill within 60 days is that correct?

6 MS. HAMILTON: Objection.

7 THE COURT: Sustained.

8 BY MR. GOLDSTEIN:

9 Q Are you aware of how long the governor has to
10 take action for the bill?

11 A 60 days.

12 Q And that's from Article iv, Section (9)(b) of the
13 state Constitution, is that correct?

14 MS. HAMILTON: Objection.

15 THE COURT: The objection is sustained.

16 BY MR. GOLDSTEIN:

17 Q Okay, I want to change subjects with you,
18 Mr. Harris. I want to talk to you about the senate
19 seat, okay?

20 A Okay.

21 Q Now, just a few general things before we go into
22 this. During 2008, you were a registered lawyer, is
23 that correct?

24 MS. HAMILTON: Objection.

25 THE COURT: The objection is sustained.

1

2 BY MR. GOLDSTEIN:

3 q You talked about in direct examination that you
4 had been a prosecutor for the military, is that
5 correct?

6 MS. HAMILTON: Objection.

7 THE COURT: Sustained.

8 BY MR. GOLDSTEIN:

9 q Were you a prosecutor in the military?

10 MS. HAMILTON: Objection and ask for a
11 sidebar, Your Honor.

12 THE COURT: Pass on to something else.

13 BY MR. GOLDSTEIN:

14 q You received your bachelor's degree from
15 Northwestern University?

16 A Yes.

17 q And you received your law degree from Loyola
18 University?

19 A Yes.

20 q And you worked for the city under Mayor Daley, is
21 that correct?

22 A Yes.

23 q And some of your positions included deputy police
24 superintendent?

25 A Yes.

1 q And you were the budget director, is that
2 correct?

3 A Yes.

4 q And you came to the State of Illinois and
5 eventually became the Chief of Staff, is that
6 correct?

7 A That's correct.

8 q And your duties as the Chief of Staff included a
9 lot of things, is that fair to say?

10 A Yes.

11 q And one of them was to advise the governor, is
12 that correct?

13 MS. HAMILTON: Objection.

14 THE COURT: The objection is sustained.

15 If this is going where I think it's going, it's
16 going to transgress one of my rulings.

17 BY MR. GOLDSTEIN:

18 q Now, you spoke to the governor frequently during
19 the period of October 2008 to the day both you were
20 arrested, is that correct?

21 A That's correct.

22 q Now, you had said that this was as low as two to
23 three times a day, is that correct? Two or three
24 times you talked to him on the phone?

25 A As few as, yes.

1 q And I think you said that the high watermark was
2 about eight to ten times a day, is that correct?

3 A There have been days like that, yes.

4 q I could imagine.

5 Did you -- did you speak to him on the
6 weekends, as well?

7 A Yes.

8 q Okay. So just ballpark, you're talking to him
9 approximately 35 times a week, is that a fair
10 estimate?

11 A I never took a count. Some weeks during the year
12 were more busy than others.

13 q Okay. Now, you spoke so much with the governor,
14 a lot of times you would go and speak to Mr. Quinlan
15 as sort of to decompress?

16 MS. HAMILTON: Objection.

17 THE COURT: The objection is sustained.

18 BY MR. GOLDSTEIN:

19 q Is that fair to say, a lot of times you were a
20 sounding board for the governor?

21 MS. HAMILTON: Objection.

22 THE COURT: The objection is sustained.

23 BY MR. GOLDSTEIN:

24 q Now, in the discussions with the governor and in
25 discussing the issue of the senate seat, is that

1 fair to say your understanding was that the governor
2 consulted with a whole range of people about this
3 issue?

4 MS. HAMILTON: Objection.

5 THE COURT: Sustained.

6 BY MR. GOLDSTEIN:

7 q You certainly spoke -- he certainly spoke to you
8 about it a lot, is that fair to say?

9 A Yes.

10 q Now, as you understood it, Patti's opinion meant
11 a lot to the governor, is that correct?

12 MS. HAMILTON: Objection.

13 THE COURT: Sustained.

14 BY MR. GOLDSTEIN:

15 q Now, you know that several people contacted the
16 governor, as well as yourself, regarding the senate
17 seat, is that correct?

18 A Several people spoke to the governor about the
19 senate seat, yes.

20 q Did people contact you in regard to the senate
21 seat?

22 A Yes.

23 q And over this about two-month period in 2008,
24 there were several potential candidates discussed,
25 is that correct?

1 MS. HAMILTON: Objection.

2 THE COURT: The objection is sustained.

3 BY MR. GOLDSTEIN:

4 q In fact, you kept a small binder of potential
5 candidates that came and spoke to you?

6 MS. HAMILTON: Objection.

7 THE COURT: Sustained.

8 BY MR. GOLDSTEIN:

9 q Some candidates, you had mentioned, you talked
10 about Jesse Jackson, is that correct?

11 MS. HAMILTON: Objection.

12 THE COURT: Sustained.

13 BY MR. GOLDSTEIN:

14 q You had spoken on what's called direct
15 examination last week about different senatorial
16 candidates, is that correct?

17 A That's correct.

18 MS. HAMILTON: Objection.

19 THE COURT: The problem is that there was
20 specific testimony about specific people and now
21 there's this cloud of candidates. If you want to
22 cross-examine him on what he said on direct, talk
23 about the specific things, not about general stuff
24 that he did not testify about.

25 BY MR. GOLDSTEIN:

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1 q Mr. Harris, did you talk about Jesse Jackson in
2 direct examination?

3 A Yes.

4 q Did you talk about Valerie Jarrett in direct
5 examination?

6 A Yes.

7 q Okay. Did you talk to the governor about Gery
8 Chico as a senatorial candidate?

9 MS. HAMILTON: Objection.

10 THE COURT: Sustained.

11 BY MR. GOLDSTEIN:

12 q Did you talk in direct examination about Lisa
13 Madigan?

14 A Yes.

15 q Mr. Harris, did you ask for the senate seat?

16 MS. HAMILTON: Objection.

17 THE COURT: You mean for him personally?

18 MR. GOLDSTEIN: Correct.

19 THE COURT: Like out of idle curiosity you're
20 interested? Because I'll let him answer. I don't
21 have any idea what it has to do with this case.

22 Were you?

23 THE WITNESS: No, sir.

24 BY MR. GOLDSTEIN:

25 q As you understood it, the governor wanted to

1 appoint himself, is that correct?

2 MS. HAMILTON: Objection.

3 THE COURT: The objection is sustained.

4 BY MR. GOLDSTEIN:

5 q Now, even before October 2008, you all had
6 various conversations about the senate seat, is that
7 correct?

8 MS. HAMILTON: Objection.

9 THE COURT: The objection is sustained.

10 BY MR. GOLDSTEIN:

11 q Do you recall talking about the governor and Emil
12 Jones as two top candidates during the summer
13 of 2008?

14 A Excuse me? Can you say that again?

15 q During the summer of 2008 --

16 A Yes.

17 q -- you had phone calls with the governor and the
18 two leading candidates, as you understood it, was
19 the governor and Emil Jones, is that correct?

20 A That's correct.

21 q And before there were even discussions with
22 Balanoff and the like, your understanding in October
23 is that Emil Jones would be appointed, is that
24 correct?

25 MS. HAMILTON: Objection.

1 THE COURT: The objection to the form is
2 sustained.

3 BY MR. GOLDSTEIN:

4 q On October 31st, 2008, it was your understanding
5 that all arrows pointed towards Emil as the senator?

6 A That's not correct.

7 q That's not correct?

8 MR. GOLDSTEIN: May I have a moment?

9 THE COURT: Sure.

10 (Brief pause).

11 MR. GOLDSTEIN: May I approach, Your Honor?

12 THE COURT: Sure.

13 (Brief pause).

14 MR. GOLDSTEIN: May I approach?

15 THE COURT: Yeah.

16 MR. GOLDSTEIN: Thank you.

17 BY MR. GOLDSTEIN:

18 q Now, Mr. Harris, I asked you a question, on
19 October 31st, 2008, I asked you if all arrows were
20 pointing toward Emil Jones, do you recall being
21 asked that question.

22 A Yes.

23 q And your answer was, that's not correct, is that
24 correct?

25 A That's correct.

1 q Now, as we've talked about, you had several
2 interviews with the FBI, and you specifically had an
3 interview on January 27, 2009, is that correct?

4 A I don't recall the specific date. I had several
5 interviews with them in the month of January.

6 q Can I show you Defendant's Exhibit FBI 302 from
7 January 27, 2008 of John Harris.

8 A Yes.

9 q Does that refresh your memory as to whether
10 January 27, 2009, you had an interview with the FBI?

11 A I have no reason to doubt the date on the form,
12 but I don't have a specific recollection of January
13 27th.

14 q Okay. On that date, do you recall talking about
15 the specific phone call on October 31, 2008?

16 A I may have. I don't recall doing it that day.

17 q Okay. Okay. But do you recall talking about
18 that call session?

19 A We talked about several call sessions.

20 q I understand. I understand.

21 If you can look at the first page, does that
22 refresh your memory whether you possibly spoke about
23 that call session of October 31st, 2008?

24 A Yes.

25 q Okay. Now, during this call session, you're

1 talking about a plan as far as what to discuss or
2 your plan as far as choosing, or the governor's
3 choosing for a senator, is that correct?

4 A Yes.

5 q What criteria?

6 A Develop a process and some criteria for the
7 governor to use in selecting a senator.

8 q Correct.

9 And if you can turn to Page 2, and if you can
10 read the full second full paragraph, and if you
11 could read that first sentence to yourself.

12 (Brief pause).

13 BY THE WITNESS:

14 A Yes.

15 BY MR. GOLDSTEIN:

16 q Now, is it fair to say that it was your
17 understanding that on October 31st, 2008, all arrows
18 were pointing towards Emil Jones at that time?

19 A I don't recall using that phrase. I do recall
20 that there was no serious discussion of anyone else
21 before that date. The serious discussion had always
22 been the governor appointing himself or appointing
23 Emil Jones, but there was a time in late September
24 where the governor was upset with Emil Jones because
25 of the betrayal on the ethics bill that had severely

1 diminished Emil Jones' prospects for being
2 considered. But I believe in that interview, I
3 spoke about the fact that there was only two people
4 that were seriously being discussed.

:47AM

5 q Two people being?

6 A The governor himself and Emil Jones.

7 q Now, I'd like to go over some calls with you, Mr.
8 Harris. If you could turn to tab 7.

9 A Tab 7?

:47AM

10 q 7, yes.

11 MR. GOLDSTEIN: Is everyone there?

12 BY MR. GOLDSTEIN:

13 q Are you there, Mr. Harris?

14 A Yes, I am.

:48AM

15 q Now, if you could turn to Page 2, and I want you
16 to look at line 4, Mr. Blagojevich says:

17 "So he's talking about Valerie Jarrett."

18 what did you understand the governor to be
19 talking about when he said "he"? who was he
20 referring to, as you understood it?

:48AM

21 A Rahm Emanuel.

22 q And on that same page, line 18 -- actually we'll
23 start at line 17, you say:

:48AM

24 "I didn't mention her name, but like the Marilyn
25 Katzes and all the other kind of people."

1 who is Marilyn Katz?

2 A She's a woman business owner in Chicago who runs
3 a public relations, public consulting, public
4 relations consulting firm, she had done business
5 before with the City of Chicago and I knew her
6 through that relationship.

7 Q Did Marilyn Katz at any time approach you
8 regarding the senate seat?

9 A Yes, she --

10 Q When --

11 I'm sorry.

12 A She recommended her friend, Valerie Jarrett.

13 Q When was this recommendation given to you?

14 A I would say sometime in October.

15 Q And what did she specifically say in regards to
16 the senate seat?

17 A She said she thought Valerie Jarrett would be an
18 Ideal choice and one that would win the governor a
19 lot of praise for his appointing her.

20 Q And as you understood it, Valerie Jarrett wasn't
21 even a subject discussed with the governor until
22 before Marilyn Katz approached you, is that correct?

23 A Yes, she was not a name under consideration. As
24 I said before, the two names that seemed to be under
25 serious consideration were Emil Jones and the

1 governor himself.

2 q And the governor first learned of Jarrett's
3 interest from you who told him about Marilyn Katz,
4 is that correct?

:50AM

5 MS. HAMILTON: Objection.

6 THE COURT: The objection is sustained.

7 BY MR. GOLDSTEIN:

8 q I apologize.

:50AM

9 As you understood it, the governor first
10 learned about Valerie Jarrett being a possible
11 candidate from you after you were contacted by
12 Marilyn Katz?

:50AM

13 A Yes, I don't know whether he learned of it from
14 anyone else, but I briefed him about my call with
15 Marilyn Katz.

:51AM

16 q And before that briefing of the governor with
17 your call about Marilyn Katz, had you had any
18 discussions with the governor about Valerie Jarrett?

19 A Not to my recollection.

:51AM

20 q And Marilyn Katz was offering campaign
21 contributions, is that correct?

22 A No, she was offering fundraising support she
23 thought would be more forthcoming from people that
24 would be supportive and pleased with the governor's
25 appointment of Valerie Jarrett. There was no

1 promise of campaign contributions.

2 q Could you tell me the difference between
3 fundraising support and campaign contributions?

4 A Meaning that she thought -- I understood her to
5 mean that there would be a lot of supporters of
6 Valerie Jarrett that would then be supporters of the
7 governor because they would see -- they would
8 support him because of his support and appointment
9 of Valerie Jarrett.

10 q Okay. Now, this call on tab 7, is it fair to say
11 most of this was just shooting the breeze about
12 politics?

13 MS. HAMILTON: Objection.

14 THE COURT: The objection to the form is
15 sustained.

16 BY MR. GOLDSTEIN:

17 q How would you describe most of this conversation?

18 MS. HAMILTON: Objection.

19 THE COURT: The objection is also sustained.

20 BY MR. GOLDSTEIN:

21 q You talked about a process being set up as far as
22 selecting a senator, is that correct?

23 A That's correct.

24 q And you had drafted some points to go forward on
25 as far as selecting a senator, is that correct?

1 A Yes.

2 q Remember that was the exhibit you discussed?

3 A Yes, I do.

4 q Okay. In those draft process that you had set

5 up, was there anything specifically saying the

6 governor will not appoint himself?

7 A No, there was a discussion about that question

8 potentially coming up at a press conference in the

9 event that Senator Obama won the election and the

10 governor were to make himself available to discuss

11 the Senate selection process, that the question may

12 come up about him appointing himself.

13 q And this was before the November 5, 2008, press

14 conference, is that correct?

15 A That's correct.

16 q And, in fact, during this conversation, there was

17 a conference call between you and the governor and

18 Lucio Guerrero and Doug Scofield?

19 MS. HAMILTON: Objection.

20 THE COURT: Sustained.

21 BY MR. GOLDSTEIN:

22 q Well, is that fair to say that a lot of the

23 discussions were an attempt to make sure the

24 governor was still a viable option as a Senate

25 candidate?

1 MS. HAMILTON: Objection.

2 THE COURT: Sustained.

3 BY MR. GOLDSTEIN:

4 Q I want you to turn to tab 8.

:54AM

5 Are you there?

6 A Yes.

7 Q Good.

8 Now, Page 1, line 16, you say:

:54AM

9 "I mean, I, we, we gotta find out from Andy when
10 he, how, how long ago did Andy try to set this
11 meeting up."

12 who were you referring to when you said
13 "Andy"?

14 A Andy Stern, president of the SEIU labor union.

:54AM

15 Q And that's the national SEIU?

16 A Yes.

17 Q Are you aware of his connection to Barack Obama?

18 A I understood that he was an early supporter of
19 Senator Obama's presidential campaign effort.

:54AM

20 Q And as you understood it, Andy Stern was coming
21 to the governor wanting to talk to him, is that
22 correct?

23 A Based on what the governor told me, yes.

24 Q Now, that same page, line 20, you say:

:55AM

25 "Okay, so it was before my discussion with

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1 Rahm."

2 And then on Page 2 the governor says:

3 "Yeah."

4 And you understood it, that meant that Andy

:55AM

5 Stern contacted the governor before Rahm contacted

6 the governor, is that correct?

7 A Andy Stern contacted somebody in the Governor's

8 office attempting set up a meeting, and I'm not

9 aware that Rahm contacted the governor other than

:55AM

10 calling me on the 2nd of November.

11 q Okay. So the first person was Marilyn Katz, is

12 that correct?

13 MS. HAMILTON: Objection.

14 MR. GOLDSTEIN: I'll rephrase it. I

:55AM

15 apologize.

16 BY MR. GOLDSTEIN:

17 q The first person to communicate to any one within

18 the governor's -- to you or the governor, the first

19 person advocating for Valerie Jarrett was Marilyn

:56AM

20 Katz, is your understanding?

21 MS. HAMILTON: Objection.

22 THE COURT: The objection is sustained as to

23 form.

24 BY MR. GOLDSTEIN:

:56AM

25 q Marilyn Katz came to you in late October,

1 correct? Regarding Valerie Jarrett?

2 A Sometime in October.

3 q Okay. Andy Stern came to the Governor's office
4 regarding -- well, Andy Stern came to the Governor's
5 office talking about the senate seat approximately a
6 week before this November 3rd call, is that correct?

7 A Sometime before the call.

8 q And it was Rahm Emanuel that came to speak to the
9 governor or anyone in his office regarding the
10 senate seat before November 3rd, this phone call, is
11 that correct?

12 MS. HAMILTON: Objection.

13 THE COURT: The objection is sustained to
14 form.

15 BY MR. GOLDSTEIN:

16 q You said you had a discussion with Rahm, is that
17 correct?

18 A A phone call on November 2nd, yes.

19 q November 2nd. And that discussion was pertaining
20 to what?

21 A To the president -- sorry, Senator Obama's strong
22 preference for Valerie Jarrett to be named senator
23 in the event he were elected.

24 q In the chronology of things, is it your
25 understanding that it was Katz and then Stern and

1 then Emanuel?

2 MS. HAMILTON: Objection.

3 THE COURT: A little vague.

4 BY MR. GOLDSTEIN:

5 q Did Katz come before Stern?

6 MS. HAMILTON: Objection.

7 THE COURT: Objection to the form is
8 sustained.

9 BY MR. GOLDSTEIN:

10 q In these discussions we're taking about regarding
11 Katz and Stern and Emanuel, Katz was the first
12 person of those three to approach the Governor's
13 office?

14 MS. HAMILTON: Objection.

15 THE COURT: The objection is sustained.

16 BY MR. GOLDSTEIN:

17 q Now, Page 3 on tab 8, you start talking about --
18 you and the governor start talking about Emil Jones,
19 is that a fair assessment of this part of the
20 conversation?

21 A Yes, the governor mentions it in line 13 or 14.

22 q And then you discuss this in direct examination,
23 but on line 27 the governor says -- or actually --
24 yeah, line 27:

25 "That's an off-campus, that's a technical thing

1 an off-campus discussion on that subject."

2 Do you see the governor talking about that?

3 A Yes, I do.

4 q And you discuss about what you understood this
5 off campus meeting to mean, is that correct?

6 A That's correct.

7 q And on line 31 the governor says:

8 "will make him feel better about his chances."

9 Do you see that line?

10 A Yes, I do.

11 q And what did you understand the governor to be
12 saying when he said "will make him feel better about
13 his chances"? who is the "him"?

14 A Emil Jones.

15 q Okay. "And chances," what did you understand the
16 governor to be referring to?

17 A His chances of being selected for the vacant
18 senate seat.

19 q So as you understood it, having that off-campus
20 meeting would make Emil Jones feel better about his
21 chances, is that correct?

22 A That's correct.

23 q What was your understanding as to why it was
24 important to make Emil Jones feel better about his
25 chances?

Harris - cross by Goldstein

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1 A I understood part of the reason was that Emil
2 Jones had the power to strip the governor of his
3 legislative power or statutory power to make the
4 selection to fill the vacant senate seat.

:00PM

5 q Was there also legislation pending that the
6 governor wanted passed during this time period?

7 MS. HAMILTON: Objection.

8 THE COURT: The objection is sustained.

9 BY MR. GOLDSTEIN:

:00PM

10 q Was there any legislation pending before the
11 Illinois Senate during this time frame?

12 MS. HAMILTON: Objection.

13 THE COURT: Was there legislation pending
14 before the Senate at this time?

:00PM

15 MR. GOLDSTEIN: Correct.

16 THE COURT: Any legislation? Governing any
17 subject?

18 MR. GOLDSTEIN: Correct.

:00PM

19 THE COURT: Then I'm sustaining the objection
20 on the grounds of relevancy.

21 BY MR. GOLDSTEIN:

22 q Now, if you could turn to Page 5, you talked
23 about Marilyn Katz had presented to you the
24 assistance in fundraising, is that correct?

:01PM

25 A The governor mentioned her assistance in

1 fundraising. I was trying to explain to him that
2 that was not her emphasis and that that was not the
3 focal point of her conversation with me or her
4 communication with me, but, rather, there would be
5 supporters that would praise the governor's choice
6 and would likely help out with fundraising, but
7 there was no offer by Marilyn Katz of any specific
8 campaign contribution or one for the other.

9 Q Did you say that in the conversation?

10 A I'm attempting to say that, yes.

11 Q Okay, let's look at your attempt.

12 On line 12 you say:

13 "Yeah, she was talking about friends around the
14 country that would be appreciative in their
15 ability to help with fundraising."

16 Now, what were you saying when you said that
17 would be appreciative in their ability to help with
18 fundraising? What were you saying there?

19 A That there would be supporters of Valerie
20 Jarrett's and Barack Obama's that would be
21 appreciative of the governor appointing Valerie
22 Jarrett.

23 Q And then the next part of that line in there,
24 "ability to help with fundraising"?

25 A Yes, that these would be people that were active

1 politically and that could help with fundraising.

2 q So when you say "appreciative," what did you
3 mean?

4 A That they would support the governor.

5 q Support the governor how?

6 A Potentially with fundraising.

7 q Now, if you can turn to tab 13.

8 Are you there, Mr. Harris?

9 A Yes, I am.

10 q Now, on Page 1, line 10, you say:

11 "You call Axelrod?"

12 And the governor said "yeah." who were you
13 referring to when you say Axelrod?

14 A David Axelrod, Barack Obama's campaign manager.

15 q Okay. And Page 2, line 19, the governor says:

16 "No, no, he was very explicit with me. 'I
17 talked to Barack about the senate seat, can I
18 come and see you, can I do it tomorrow,' I said
19 'sure.'"

20 what did you understand the governor to be
21 talking about there?

22 A A conversation that he had with Tom Balanoff.

23 q And so this tab was on November 5th in the
24 morning, is that correct?

25 A Yes.

1 q And the conversation he had with Balanoff, is
2 that referring to the November 4th conversation?

3 A Yes, I believe he's referring to the conversation
4 he had with Mr. Balanoff back stage at the Grant
5 Park rally the night of the general election.

6 q During the election night celebration?

7 A Yes.

8 q Okay. And did you hear any of that conversation
9 between Balanoff and the governor?

10 A No, I did not.

11 q Were you with the governor at this time?

12 A Yes.

13 q But Balanoff basically took the governor to the
14 side and spoke to him where you couldn't hear them?

15 MS. HAMILTON: Objection.

16 THE COURT: Sustained.

17 BY MR. GOLDSTEIN:

18 q How did -- well, it was a conversation that the
19 governor and Balanoff had that was out of your
20 earshot of you, is that correct?

21 A That's correct.

22 q Could you explain, to your knowledge, what kind
23 of relationship Tom Balanoff had with the governor?

24 A I believe politically, they were very close. The
25 governor was very supportive of Tom Balanoff's labor

1 agenda, and Tom Balanoff was very supportive of the
2 governor's candidacies as well as his
3 administration.

4 Q And you reference it here on Page 3, on line 7,
5 you say:

6 "Well, you know your relationship with Balanoff
7 better than I do."

8 The governor:

9 "Yeah, don't worry about it."

10 And you say:

11 "Close relationship then."

12 And then the governor says:

13 "Pretty good."

14 So that was your understanding that this was
15 a fairly close relationship?

16 A That's how I understood it, yes.

17 Q Now, if you can turn to Page 9, line 19, you say:

18 "You know, thinking that, you know, there'll be
19 time to rebuild, you know, before the next

20 election, but I got this albatross around my

21 neck, the street --" I'm sorry, "around my

22 neck, down the street, that this guy's not

23 gonna let me shake even though it ain't going

24 anywhere, he's keeping this f'ing investigation

25 alive with this BS indictment of Cellini."

1 what were you at this time talking about
2 with the governor?

3 MS. HAMILTON: Objection.

4 THE COURT: The objection is sustained.

5 BY MR. GOLDSTEIN:

6 q When you said the word "albatross," what were you
7 referring to?

8 MS. HAMILTON: Objection.

9 THE COURT: Overruled.

10 BY THE WITNESS:

11 A The federal investigation into the governor's
12 administration and campaign.

13 BY MR. GOLDSTEIN:

14 q So when you say "down the street," is that
15 referring to this building here?

16 A The federal building, yes.

17 q Okay.

18 Now, if you can turn to Page 11, on line 8,
19 the governor says:

20 "UN ambassador impossible, huh."

21 Then you reply:

22 "Yeah, I put it in the extremely remote
23 column."

24 What did you understand the governor to be
25 saying there?

1 A He was asking me about alternative positions he
2 might ask for in the event that his request to be
3 appointed to the Secretary of Health and Human
4 Services were not well received or they told him no,
5 what other position the president had the power to
6 appoint he could ask for, and he made a suggestion
7 to me UN ambassador and I told him I thought it
8 would be extremely remote.

9 Q When you said that, was that what you were
10 thinking at the time, when you said "extremely
11 remote"?

12 A I actually thought there would be no chance.

13 Q Why did you say "extremely remote"?

14 A Seemed more polite.

15 Q I understand.

16 If you could turn to tab 14, on line 14, the
17 governor says:

18 "Okay, good, so I cannot dismiss that real
19 possibility if they f'ing treat me with f'ing,
20 you know, irrelevance and I don't get something
21 good, I, you know, and I'm facing what I'm
22 facing, we've always got that ace in the hole,
23 don't we."

24 Is that fair to say that your understanding
25 was that Rod was going to appoint himself?

1 MS. HAMILTON: Objection.

2 THE COURT: The objection is sustained.

3 BY MR. GOLDSTEIN:

4 q As you understood it, a lot of this was just a
5 whole process for the governor to appoint himself?

6 MS. HAMILTON: Objection.

7 THE COURT: The objection is sustained.

8 BY MR. GOLDSTEIN:

9 q This one in particular, tab 14, on November 5th,
10 where were any of these discussions going?

11 MS. HAMILTON: Objection.

12 THE COURT: What do you mean "where"?

13 MR. GOLDSTEIN: What was the end result.

14 THE COURT: Sustained.

15 BY MR. GOLDSTEIN:

16 q On Page 2 you say, on line 1:

17 "If they're f'ing me and they're --"

18 and then you go down to Page 4:

19 "... not even entertaining any --" and then you

20 say "a reasonable request."

21 What were you calling a reasonable request?

22 MS. HAMILTON: Objection.

23 THE COURT: Where are we?

24 MS. HAMILTON: Page 2, line 1 through 6.

25 MR. GOLDSTEIN: Yeah. I'm sorry.

1 THE COURT: Read the line again.

2 BY MR. GOLDSTEIN:

3 q (Reading:)

4 "If they're, if they're f'ing me and they're not
5 even entertaining a reasonable request."

6 THE COURT: And you're asking what he means
7 when he said "a reasonable request"?

8 MR. GOLDSTEIN: Correct, Judge.

9 THE COURT: Didn't he sort of answer that in
10 line 8 and 9?

11 MR. GOLDSTEIN: He could maybe give a
12 different understanding today, Your Honor.

13 MS. HAMILTON: Judge, I'm going to object.
14 It's not relevant.

15 THE COURT: Apart from that, I'm sustaining
16 the objection.

17 BY MR. GOLDSTEIN:

18 q Now, at line 14 you say:

19 "You know, if I were him, ah, you know, a top
20 Cabinet post, I don't, I wouldn't consider it,
21 I wouldn't do it if I were him."

22 When you said that, who were you referring
23 to when you say "him"?

24 A The president-elect.

25 q And what were you saying when you said those

Harris - cross by Goldstein

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1 things?

2 MS. HAMILTON: Objection.

3 THE COURT: Sustained.

4 BY MR. GOLDSTEIN:

5 q Page 3, line 35, you say:

6 "And if, you know, if the, his domestic agenda
7 is important, so HHS is, I'm not going to make
8 that a political pick, I mean meaning someone
9 else's politics, it's going to be my politics."

10 when you said "political pick," what did you
11 mean by that?

12 MS. HAMILTON: Objection.

13 THE COURT: Overruled.

14 BY THE WITNESS:

15 A What did I mean when I said that to the governor?

16 BY MR. GOLDSTEIN:

17 q When you said "political pick."

18 A I was characterizing the governor's asking for
19 appointment of himself to be a political pick, and
20 that I said that if I were president-elect Obama, I
21 wouldn't make that a political pick.

22 q You said the appointment of the governor, I don't
23 understand, "political pick," what do you mean
24 specifically by "political pick"?

25 MS. HAMILTON: Objection.

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1 THE COURT: Sustained.

2 BY MR. GOLDSTEIN:

3 q Now, on tab 15 --

4 THE COURT: We're going to stop soon. You
5 have another one that's related?

6 MR. GOLDSTEIN: We could do this tab, just a
7 few minutes, that's all.

8 THE COURT: Okay.

9 BY MR. GOLDSTEIN:

10 q On line 12, you say:

11 "Just us, so I, I briefly told Greenlee, ah, to,
12 that, you know, maybe, ah, a reasonable ask,
13 maybe not where we start from, but one that
14 takes care of your family's, you know,
15 security, your political, keeping your
16 political options open as foundation CEO or
17 foundation president. Ones that the
18 president-elect or president would have
19 influence with the boards in an area that
20 you're passionate about and that he's
21 passionate about and that would make sense and
22 not raise the spectrum of, you know, deals
23 because he's got a buffer. I just mentioned
24 Kaiser, family and Red Cross as kind of
25 examples, I don't know what other ones out

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1 there are."

2 when you say on line 14, "a reasonable ask,"
3 what were you saying?

4 MS. HAMILTON: Objection.

5 THE COURT: Sustained.

6 BY MR. GOLDSTEIN:

7 q Now, this call is on November 5th, 2008, is that
8 correct?

9 A That's correct.

10 q And during this conversation, this is a
11 conference call between you, the governor, and
12 Mr. Greenlee, is that correct?

13 A That's correct.

14 q And Mr. Greenlee was in the room with you, is
15 that correct?

16 A That's correct.

17 q And it was your understanding at this time that
18 the governor still wanted to appoint himself, is
19 that correct?

20 MS. HAMILTON: Objection.

21 THE COURT: The objection is sustained.

22 MR. GOLDSTEIN: We can take a break now, Your
23 Honor, I'm moving on to a different tab.

24 THE COURT: 1:30.

25 THE MARSHAL: All rise.

1 This court will suspend until 1:30 p.m.
2 today.

3 (The following proceedings were had out of the
4 presence of the jury in open court:)

5 THE COURT: Court is in recess, except is
6 there anything you want to raise with me?

7 (No response.)

8 THE COURT: No? Okay. Fine.

9
10 (Luncheon recess taken from 12:16 o'clock p.m.
11 to 1:30 o'clock p.m.)

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IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,

Government,

vs.

ROD BLAGOJEVICH,

Defendant.

No. 08 CR 888

Chicago, Illinois

May 9, 2011

1:44 o'clock p.m.

VOLUME 11
TRANSCRIPT OF PROCEEDINGS
BEFORE THE HONORABLE JAMES B. ZAGEL
AND A JURY

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1 THE MARSHAL: All rise.

2 (The following proceedings were had in the
3 presence of the jury in open court:)

4 THE COURT: Please be seated.

5 You may proceed.

6 MR. GOLDSTEIN: Thank you, Your Honor.

7 JOHN HARRIS, GOVERNMENT WITNESS, PREVIOUSLY SWORN
8 CROSS EXAMINATION (resumed)

9 BY MR. GOLDSTEIN:

10 q Okay, Mr. Harris, I think before we broke we were
11 on the day of approximately November 5th, 2008.

12 And you talked about a press conference was
13 had by the governor on November 5th?

14 A Yes.

15 q And you understood, as far as the press
16 conference, the governor was trying to leave the
17 door open for himself to be appointed, as well as
18 publicly touting himself for HHS, is that correct?

19 MS. HAMILTON: Objection.

20 THE COURT: Give me a second.

21 (Brief pause.)

22 THE COURT: Sustained to the form of the
23 question.

24 BY GOLDSTEIN:

25 q Now, if you can turn to tab 18, and turn to

1 Page 9.

2 Are you there, Mr. Harris?

3 A Yes, I am.

4 Q On line 26 you say:

5 "Right. And then at, then the meeting kinda
6 ends, then they got to deliver that message, it
7 was kind of the first round of negotiations."

8 What were you saying when you said that?

9 MS. HAMILTON: Objection.

10 THE COURT: Sustained.

11 BY MR. GOLDSTEIN:

12 Q You listened to this call, is that correct,
13 Mr. Harris?

14 A Yes.

15 Q And you went over it with the government, as
16 well?

17 A Yes.

18 Q And you testified about it in direct examination,
19 is that correct?

20 A Yes.

21 Q So this was November 6th, 2008, at 9:25 a.m., is
22 that correct?

23 A Correct.

24 Q Now, if you can turn to Page 15, on line 2, you
25 say:

1 "Change To win, SEIU's thing."

2 Is that you speaking there?

3 A Yes.

4 Q And then you go down on line 5:

5 "How about like the national coordinator of the
6 Change To win campaign?"

7 Is that you speaking, as well?

8 A Yes.

9 Q Now, Change To win, whose idea was that?

10 A Mine.

11 Q And on Page 17, on line 25, you say:

12 "On second thought, but if, you know, you know,
13 Andy, Andy and Tom, look you in the eye and say
14 we're going to make you our national
15 coordinator for change."

16 And then the governor interrupts and says:

17 "we'll publicly announce it."

18 what did you understand Mr. Blagojevich to
19 be saying when he said we'll publicly announce this
20 Change To win?

21 A After the governor -- after I talked to the
22 governor about the Change To win idea, I also
23 expressed some concerns about the possibility that
24 if too much time passed between his discussion, the
25 governor's discussion, with Andy Stern and Tom

1 Balanoff about the idea, that circumstances can
2 change and they may not follow through on any
3 agreement, if they reached one, to make the governor
4 the director of Change To Win in exchange for
5 appointing Valerie Jarrett.

:48PM

6 Again, we're talking about that concern and
7 the governor responds we'll publicly announce it,
8 and I understood that to mean he would have Andy
9 Stern and Tom Balanoff publicly announce their
10 intention to appoint the governor the director of
11 the Change To Win campaign in a very public way to
12 lock them in so they couldn't later not follow
13 through or make it less likely that they later would
14 not follow through.

:48PM

15 q Was it your understanding that this whole deal
16 would be publicly announced?

:49PM

17 A No, just the appointment of the governor to a
18 Change To Win type of position.

19 q So it was your understanding that somehow this
20 Change To Win concept would be publicly announced
21 that it would become Change To Win right around the
22 same time that he appointed Valerie Jarrett to the
23 senate seat?

:49PM

24 A We didn't get into any particular discussion
25 about the logistics of it, when or how.

:49PM

1 q what did you understand the governor -- or what
2 did you understand the governor to be saying as far
3 as a timeline when this would be announced?

4 MS. HAMILTON: Objection.

5 THE COURT: Sustained as to the form of the
6 question.

7 BY MR. GOLDSTEIN:

8 q Did you have any understanding of when this would
9 be publicly announced?

10 MS. HAMILTON: Objection.

11 THE COURT: The objection is sustained.

12 BY MR. GOLDSTEIN:

13 q Was the Change To Win idea that you came up with,
14 was that ever publicly announced?

15 A No.

16 q You said you spoke to Doug Scofield about the
17 Change To Win?

18 A Yes.

19 q And what did you speak to Doug Scofield about?

20 A To learn more about whether or not the idea was
21 something that -- I wanted to learn more about the
22 Change To Win organization, I should say.

23 Doug Scofield was a consultant for SEIU, Andy
24 Stern and Tom Balanoff, this was a very preliminary
25 idea. I wasn't sure whether the organization -- how

1 the organization was constituted or managed or
2 organized, and I thought Doug Scofield might have
3 more information about that.

4 q Is it fair to say, to use a phrase of yours, this
5 Change To Win was a preliminary conceptual idea?

6 A Yes.

7 q And.

8 A This was in response to the governor's earlier
9 direction to come up with a union-based organization
10 or institution, a labor supported organization as a
11 possible place of employment for himself.

12 q Are you aware if any ask or demand for Change To
13 Win was ever made?

14 MS. HAMILTON: Objection.

15 THE COURT: The objection is sustained.

16 BY MR. GOLDSTEIN:

17 q Now, there was a meeting on November 6th, 2008,
18 between the governor and Tom Balanoff, is that
19 correct?

20 A That's correct.

21 q And you were not present for that meeting?

22 A No, I was not.

23 q Do you know who requested that that meeting be
24 just the governor and Mr. Balanoff?

25 A My understanding, it was Tom Balanoff's request.

1 q Now, there's a lot of discussion about Health and
2 Human Services, isn't that correct?

3 MS. HAMILTON: Objection.

4 THE COURT: The objection is sustained.

5 BY MR. GOLDSTEIN:

6 q On direct examination, I think you probably spent
7 at least a day talking about Health and Human
8 Services, is that a fair analysis?

9 A Yes.

10 q Okay. And as you understood the governor, Health
11 and Human Services was a job that he wanted even
12 before this whole issue came up, is that fair?

13 MS. HAMILTON: Objection.

14 THE COURT: The objection is sustained.

15 BY MR. GOLDSTEIN:

16 q Well, as you understood the governor, he was an
17 individual that cared about healthcare, is that
18 correct?

19 MS. HAMILTON: Objection.

20 THE COURT: The objection is sustained.

21 BY MR. GOLDSTEIN:

22 q Now, after this meeting that you weren't present
23 for with Mr. Balanoff, there was a meeting with you,
24 the governor, Mr. Scofield, and Mr. Quinlan, is that
25 correct?

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1 A Yes.

2 q Was there anyone else present?

3 A Not that I recall.

4 q And the four of you discussed basically what
5 happened at this meeting between Balanoff and the
6 governor?

7 MS. HAMILTON: Objection.

8 THE COURT: Sustained.

9 BY MR. GOLDSTEIN:

10 q Did you have a meeting after you met with
11 Balanoff?

12 A I did not meet with him. The governor did, yes,
13 there was a meeting afterwards.

14 q After the meeting with Balanoff, the governor met
15 with you, is that correct?

16 A Yes.

17 q And there were other people present?

18 A Yes.

19 q And you all talked about the things, is that
20 correct?

21 MS. HAMILTON: Objection.

22 THE COURT: Sustained.

23 BY MR. GOLDSTEIN:

24 q What was your understanding of the feeling in the
25 room as to what was going to happen with this HHS

1 request?

2 MS. HAMILTON: Objection.

3 THE COURT: It's sustained.

4 One of the things that you're doing with this
5 witness is asking for opinions which you
6 characterize as understanding, but they're opinions.
7 And even if he had an opinion, we have no idea what
8 the basis of the opinion is. It may be hearsay,
9 maybe some stray remark somebody said.

10 This witness was offered to testify to
11 certain events and to his understanding of certain
12 statements, his understanding of certain statements.
13 It does not open the door to his opinion about what
14 happened and who was what, and what the general mood
15 in the room was.

16 And the truth of the matter is is that this
17 is all inadmissible from this witness. There may be
18 another way to get it in. Besides, you may be
19 opening a door to the government asking questions
20 about this witness' various opinions and it's
21 possible if that occurs you might not like those
22 opinions. In fact, you might not like some of the
23 answers he gives to your question.

24 So why don't you confine yourself to what
25 happened on direct examination and, you know, you're

Harris - cross by Goldstein

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1 free to recall him yourself as your witness.

2 BY MR. GOLDSTEIN:

3 q Do you recall what the governor said at this
4 meeting on November 6th after he met with Balanoff?

5 A Yes.

6 q Did you ever follow up with Balanoff after this
7 meeting on November 6th?

8 MS. HAMILTON: Objection.

9 THE COURT: The objection is sustained.

10 BY MR. GOLDSTEIN:

11 q What was your understanding as to whether on
12 November 6th, whether the governor had made any
13 decision at this point?

14 MS. HAMILTON: Objection.

15 THE COURT: The objection is sustained.

16 BY MR. GOLDSTEIN:

17 q Did you take any action based on any decision
18 that the governor made after November 6th?

19 MS. HAMILTON: Objection.

20 THE COURT: The objection s to the form of
21 the question is sustained.

22 BY MR. GOLDSTEIN:

23 q Now, this conversation that you had with the
24 governor on November 6th, he indicated to you that
25 he would make the request for HHS open and public,

1 is that correct?

2 MS. HAMILTON: Objection.

3 THE COURT: The objection is sustained to the
4 form of the question.

5 BY MR. GOLDSTEIN:

6 Q Let's move to tab 21, please.

7 Are you there?

8 A Yes.

9 Q Now, this is a tab that was played for you while
10 you were preparing your testimony with the
11 government, is that correct?

12 A Yes.

13 Q And it was a tab played for you while you
14 testified last week, is that correct?

15 A Yes.

16 Q And the governor asked you questions about this
17 tab, is that correct?

18 A This one, yes.

19 Q So now I'm going to ask you questions about it.

20 If you could move to Page 13.

21 Are you there?

22 A Yes.

23 Q Good.

24 You say:

25 "Now, there's a way I can get the message to her

1 without going through anybody else in Obama's
2 team in making sure Obama doesn't even hear
3 it."

4 The governor says:

5 "How."

6 And you say "Mosenena."

7 Who is Mosenena?

8 MS. HAMILTON: Objection.

9 THE COURT: Sustained.

10 BY MR. GOLDSTEIN:

11 q Are those your words, Mr. Harris?

12 MS. HAMILTON: Objection.

13 THE COURT: The objection is sustained.

14 BY MR. GOLDSTEIN:

15 q Are you aware of anyone called Mosenena?

16 MS. HAMILTON: Objection.

17 THE COURT: Sustained.

18 BY MR. GOLDSTEIN:

19 q Turn to Page 15, please.

20 Now, in this call that's been admitted into
21 evidence that you've gone over in testimony, on
22 Page 15, line 9, the governor says:

23 "It's still an extremely, extremely, you know,
24 unlikely long shot."

25 what did you understand him to be saying

1 there?

2 MS. HAMILTON: Objection.

3 THE COURT: Overruled.

4 BY THE WITNESS:

5 A The governor was -- I understood the governor to
6 be telling me that he thought the chance of him
7 getting a favorable response to his request for
8 appointment to Secretary Health and Human Services
9 was an extremely, extremely unlikely long shot.

10 q If you could turn to tab 25, please.

11 Now, this is a call with yourself and the
12 governor and Mr. Yang, is that correct?

13 A That's correct.

14 q And who was Mr. Yang?

15 A He was one of the governor's political
16 consultants and he is one of his pollsters.

17 q And it's a relatively long conversation, is that
18 fair to say there were several different Senate
19 candidates discussed in this conversation?

20 A Yes.

21 q Okay. And on Page 8 --

22 A 8?

23 q 8, yeah. I'm sorry.

24 Now, Fred Yang on line 25 says:

25 "Right, so they're gonna say no, I got to

1 think."

2 And the governor says:

3 "No question."

4 What did you understand Mr. Yang to be saying?

:00PM

5 A I understood Mr. Yang to be expressing his
6 opinion that, in response to the governor's request
7 for appointment to the cabinet, the answer he would
8 get back would be no from the Obama administration.

:01PM

9 Q When the governor said "no question," what did
10 you understand him to be saying here?

11 A I understood him to be agreeing with Mr. Yang.

12 Q And if you could turn to Page 14, starting on
13 line 22, the governor says:

:01PM

14 "And, look here, I love Emil, but Emil has, Emil
15 really f'd me on the House Bill 1."

16 Then he goes on to talk about it a little
17 bit more in detail. What did you understand the
18 governor to be talking about there?

:01PM

19 A I understood the governor to be expressing to
20 Mr. Yang his current view that Emil Jones betrayed
21 him on the -- I'm sorry, on the ethics bill and was
22 down on the idea of considering Emil Jones.

:02PM

23 Q Did you agree with that assessment?

24 MS. HAMILTON: Objection.

25 THE COURT: Sustained.

1 BY MR. GOLDSTEIN:

2 Q Now, on Page 15, on line 33, Fred Yang says:

3 "Great 'cause I'm, I know this is kind of
4 tiresome, guys, we're just going through this
5 parlor game but I really can't think of a lot
6 of picks that you really, governor, that
7 directly or indirectly help you."

8 When Mr. Yang said "parlor game," what did
9 you understand him to be saying there?

10 A I wasn't sure.

11 Q Now, on Page 23, on line 16--and before you were
12 mentioning the Change To Win--on line 16 you say:"

13 "well, that would be pursuant to a
14 conversation."

15 What were you saying here, "pursuant to a
16 conversation"?

17 A That if the governor wanted to pursue the Change
18 To Win concept, he would have to have a conversation
19 with Andy Stern.

20 Q Are you aware of any conversation with Andy
21 Stern?

22 MS. HAMILTON: Objection.

23 THE COURT: Sustained.

24 BY MR. GOLDSTEIN:

25 Q Did you have any conversation with Andy Stern

1 pertaining to Change To win?

2 MS. HAMILTON: Objection.

3 THE COURT: Are you addressing if he
4 personally had the conversation?

5 MR. GOLDSTEIN: Correct.

6 THE COURT: He can and that.

7 BY THE WITNESS:

8 A No.

9 BY MR. GOLDSTEIN:

10 q Page 28, the governor says, on line 5:

11 "well I know --"

12 THE COURT: Could you give me the page again?

13 MR. GOLDSTEIN: I'm sorry. Page 28.

14 THE COURT: Okay. Thanks.

15 BY MR. GOLDSTEIN:

16 q Line 5 the governor says:

17 "well, I know, depends on his mood, usually he's
18 the prince of darkness."

19 what did you understand the governor to be
20 talking about here?

21 MS. HAMILTON: Objection.

22 THE COURT: Sustained.

23 BY MR. GOLDSTEIN:

24 q Are you aware of what the term "prince of
25 darkness" is?

Harris - cross by Goldstein

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1 MS. HAMILTON: Objection.

2 THE COURT: Sustained.

3 BY MR. GOLDSTEIN:

4 Q Now, just a page before, on Page 27, line 28,
5 this is the last line, Fred Yang says:

6 "I just thought, governor, that John Harris is
7 where good ideas went to die, I didn't know
8 that's where good ideas started from."

9 what did you understand Fred Yang to be
10 saying?

11 MS. HAMILTON: Objection.

12 THE COURT: Sustained.

13 BY MR. GOLDSTEIN:

14 Q Now, in this conversation, Change To Win is
15 discussed, is that correct?

16 A Yes.

17 Q And before this conversation about Change To Win,
18 you had a conversation with Bill Quinlan, is that
19 correct?

20 MS. HAMILTON: Objection.

21 THE COURT: Sustained.

22 BY MR. GOLDSTEIN:

23 Q If you can move to tab 28.

24 Now, in this conversation, this is
25 November 11, 2008, is that correct?

1 A Yes.

2 q And it's fair to say one of the things you're
3 doing here is relaying to the governor what Wyma
4 told you, isn't that correct?

5 A Yes.

6 q And what Wyma told you was what Rahm Emanuel told
7 Wyma, is that correct?

8 MS. HAMILTON: Objection.

9 THE COURT: The objection is sustained.

10 BY MR. GOLDSTEIN:

11 q On Page 1, line 19, the governor says:

12 "He's calling on Rahm's behalf."

13 And you say:

14 "Yeah."

15 What did you understand the governor to be
16 saying and what were you saying there?

17 A I understood him to be asking me whether I
18 understood Wyma was calling me on behalf of Rahm
19 Emanuel.

20 q And your answer was "yeah"?

21 A Yes.

22 q Now, on Page 2, at the top of the page, you relay
23 the message and you say, starting on line 3:

24 "That Rahm asked him to deliver the message that
25 president-elect would be very pleased if you

1 appointed Valerie Jarrett since he would be
2 thankful and appreciative, those are the
3 operative words."

4 what did you understand thankful and
5 appreciative to mean?

6 A I understood it to mean the president-elect would
7 be thankful and appreciative but nothing more. In
8 other words, he wouldn't be dealing with the
9 governor with respect to any request for position
10 for himself.

11 Q Now, you later on had a conversation with Rahm
12 Emanuel about thankful and appreciative, do you
13 recall that?

14 MS. HAMILTON: Objection.

15 THE COURT: Sustained.

16 BY MR. GOLDSTEIN:

17 Q Now, if you go to tab 30.

18 Now, this conversation took place on
19 November 12th, 2008, is that correct?

20 A That's correct.

21 Q And part of this conversation, there was
22 discussion about a 501(c)(4), is that correct?

23 A Yes.

24 Q Now, you had testified that you and Bill Quinlan
25 had a conversation with the governor about

1 501(c)(4), is that correct?

2 A Yes.

3 q I'm sorry, let me give you some background on
4 this. As far as approximately, I think you said,
5 October or maybe even September of 2008, you had a
6 conversation with the governor, along with Bill
7 Quinlan, about 501(c)(4) in context of the senate
8 seat, is that correct?

9 A Yes.

10 q And I think the comment was, you said that you
11 can't even joke about that?

12 A The governor had mentioned to Bill Quinlan and I
13 about talking to other people who were interested in
14 the senate seat and the possibility of asking them
15 for either campaign contributions or a donation to a
16 501(c)(4) to be established that would serve the
17 governor's interests.

18 q Now, on Page 3, at the top, the governor says:
19 "Get the contributors and others to put 10, 15
20 million in it so I can advocate healthcare and
21 other issues I care about."

22 As far as the 10 to 15 million, was it your
23 understanding that that 10 to 15 million dollars
24 would go to the governor?

25 A I'm sorry?

1 q Is it your understanding that that 10 to
2 15 million dollars would go straight the governor?

3 A No, it would endow the organization and the
4 organization would employ the governor.

5 q And the organization, as you understood it, on
6 Page 3, would be to do what?

7 A Issue advocacy.

8 q For what particular issue?

9 A Healthcare was a suggestion the governor made,
10 but it could have been that as well as others.

11 q Now, you said "don't even joke about it," did you
12 raise any concerns in this call about it?

13 A No.

14 q Now, on Page 5, line 6, the governor says:

15 "Oh, yeah, definitely, but I want that
16 organization up and running now. We put a
17 board, we got a board, a board of directors
18 that Quinlan and I been working on, I'd be
19 sitting there, and the, and the organization
20 --"

21 THE COURT: Wait. I think you misread it.
22 It's "I'd be sitting there," I think that's what you
23 said.

24 MR. GOLDSTEIN: I apologize. Forgive me.

25 The cough and the head is all over the place.

1 THE COURT: Just start from the beginning.

2 BY MR. GOLDSTEIN:

3 Q Okay:

4 "Oh, yeah definitely, but I want that
5 organization up and running now, we put a
6 board, we got a board of directors that Quinlan
7 I been working on, it be sitting there and the,
8 and the organization would begin advocating
9 this stuff."

10 Now, when the governor said "we got a board
11 of directors that Quinlan and I been working on,"
12 what did you understand him to be saying?

13 A I wasn't sure what exactly he was referring to
14 other than prior discussions the governor had with
15 Quinlan as it related to work around the ethics bill
16 limitations.

17 There was some discussion with Quinlan about
18 establishing a Political Action Committee or an
19 advocacy organization with a board of directors that
20 could receive campaign contributions -- I'm sorry,
21 could receive contributions to itself and that
22 organization, in itself, could make campaign
23 contributions to the governor.

24 This was something that he had talked about
25 with Quinlan as it related to the ethics bill and

1 the limitations on campaign fundraising. In this
2 conversation, he seems to be discussing it in a
3 different context that I wasn't aware of.

4 q You're aware that the governor had other
5 501(c)(4) type organizations before, is that
6 correct?

7 MS. HAMILTON: Objection.

8 THE COURT: Sustained.

9 BY MR. GOLDSTEIN:

10 q Turn to Page 6.

11 On line 29 the governor says:

12 "And I don't know if we, if, if were, you know,
13 were, ah, I wouldn't even be adverse to being
14 upfront about it and saying that we established
15 this organization, they're all going to watch
16 and to push these things that we done in
17 Illinois and that we can help, help you push in
18 Illinois."

19 What did you understand the governor to be
20 saying when he said being upfront about it?

21 A Other than he would be announcing his intention
22 to leave office at some time to take a position with
23 an organization that would advocate the types of
24 things we did in Illinois.

25 q And is this in relation to the senate seat?

1 A I would think it would happen around the same
2 time, but I didn't understand it to be together with
3 the appointment of the senate seat.

4 q And you understood that this plan, this deal,
5 could be made public, is that correct?

6 MS. HAMILTON: Objection.

7 THE COURT: The objection is sustained.

8 BY MR. GOLDSTEIN:

9 q Now, Page 7, if you can turn to that.

10 Now, after the governor talks about being
11 upfront about it and this 501(c)(4) organization, on
12 line 13 he says:

13 "what do you think?"

14 And you answer:

15 "I like it."

16 when the governor said "what do you think,"
17 what did you understand him to be asking?

18 MS. HAMILTON: Objection.

19 THE COURT: I'm sustaining it to this
20 question, but you could ask the other question.

21 BY MR. GOLDSTEIN:

22 q what were you saying when you said "I like it"?

23 A I was agreeing with his idea that he had just
24 laid out.

25 q Now, on Page 8 -- actually, stay on Page 7. I'm

1 sorry.

2 You say on line 22:

3 "I, I think if they can't even do that, then,
4 then we're not having good faith discussions."

:16PM

5 what were you saying when you're saying "not
6 having good faith discussions"?

7 MS. HAMILTON: Objection.

8 THE COURT: Sustained.

9 BY MR. GOLDSTEIN:

:16PM

10 q what were you talking about in these three lines
11 here?

12 MS. HAMILTON: Objection.

13 THE COURT: Sustained.

14 BY MR. GOLDSTEIN:

:16PM

15 q Now, Page 8, on line 20, the governor says:

16 "Hey, do you, why don't we start looking for an
17 African-American Tammy Duckworth, we can, can't
18 we?"

:17PM

19 what did you understand the governor to be
20 saying there?

21 MS. HAMILTON: Objection.

22 THE COURT: Sustained.

23 BY MR. GOLDSTEIN:

:17PM

24 q Had you been looking for an African-American
25 Tammy Duckworth?

1 MS. HAMILTON: Objection.

2 THE COURT: Sustained.

3 BY MR. GOLDSTEIN:

4 Q When you responded and said on line 23:

5 "I can look, I've been, I've been, look, I've
6 been looking and we've gotten nothing back yet.
7 I've got feelers out on that."

8 What were you communicating to the governor?

9 MS. HAMILTON: Objection.

10 THE COURT: Sustained.

11 BY MR. GOLDSTEIN:

12 Q On Page 10, on line 5, the governor says:

13 "Which one would get, ah, maligned more, Hendon,
14 Emil Jones or Louanner?"

15 When the governor said that on line 5 to 7,
16 what did you understand him to be saying?

17 A He was asking me my opinion as to which, if he
18 selected any of these individuals, which one would
19 he be criticized in the media and politically for
20 the most.

21 Q Was that your understanding when he actually said
22 it? Because the next line you say, "who would be
23 aligned with you more"?

24 Was your understanding when you said that,
25 who would be maligned more?

1 A No, I didn't understand the term "maligned," at
2 the time, but later on it became clear.

3 Q So you later had that understanding?

4 A Yes. I thought he was saying "aligned" first.

5 Q Because the government asked you that and you
6 said he would be maligned but you actually said
7 "aligned," so it appears you didn't have that
8 understanding, is that correct?

9 MS. HAMILTON: Objection.

10 THE COURT: This is not the time for
11 argument, you can save that for later, and I don't
12 want an argument disguised as a question.

13 BY MR. GOLDSTEIN:

14 Q Page 14, on line 31, you say:

15 "No, it's not ridiculous. I mean, I just
16 thought the unions would probably be the likely
17 way to do this, but this other 501(c)(3) is
18 fine."

19 When were you saying to the governor?

20 A The governor was asking me about ways to get a
21 job for himself. And I told him that I thought the
22 union position was probably more likely, a more
23 likely way to do it, but the way he had described
24 the 501(c)(3) I told him it would be similar and it
25 would be fine.

1 q And on Page 15, on line 4, you say:

2 "You could, 501(c)(3) and also be on the board
3 of Change To Win or something, be somewhat
4 involved, because that guy, what's his name?
5 Seco was saying. Is he somebody you, ah, ever
6 relied upon in the past."

7 The governor says:

8 "who's that?"

9 You say:

10 "The guy you had on the phone with us the other
11 day."

12 "Blagojevich says:

13 "Oh, Sosnick. Ah, yeah, a little bit in the
14 reelection. He was Clinton's political
15 director when he was president."

16 when you were referring to that on the phone
17 the other day, what were you discussing?

18 MS. HAMILTON: Objection.

19 THE COURT: Sustained.

20 BY MR. GOLDSTEIN:

21 q Now, you go on further to say:

22 "Okay."

23 And the governor says:

24 "Sosnick, yeah; no, he's smart. I mean, what
25 would you rather do, be doing this for another

1 6 years or kind of develop, develop off of this
2 and go in the private sector and build a much
3 better life for your family, for you, you know,
4 improve your financial situation."

5 what did you understand the discussion to be
6 about here?

7 MS. HAMILTON: Objection.

8 THE COURT: To the form of the question is
9 sustained.

10 BY MR. GOLDSTEIN:

11 q Did you know a person by the name of Sosnick?

12 MS. HAMILTON: Objection.

13 THE COURT: In the context of this, the
14 objection is sustained.

15 BY MR. GOLDSTEIN:

16 q Page 17, you say on line 5:

17 "You also trusted the values that you held as
18 something that would be good for people."

19 When you said that, what were you saying?

20 MS. HAMILTON: Objection.

21 THE COURT: The objection is sustained.

22 BY MR. GOLDSTEIN:

23 q And you go on further, on line 9:

24 "Now, as opposed to Thompson, who, you know, as
25 governor he was a deal maker, when he left

1 governor and went into the private sector, he
2 remained a deal maker, right?"

3 The governor says:

4 "Right."

5 You say:

6 "Putting people, putting people together to
7 make money."

8 What were you saying there?

9 MS. HAMILTON: Objection.

10 THE COURT: Sustained.

11 BY MR. GOLDSTEIN:

12 Q Now, if you could turn to tab 34, this is a
13 conversation you had with the governor on
14 November 12th, 10:26 in the morning, and at Page 2,
15 line 25 you say:

16 "And, ah, if we got any questions, to call him
17 back or and Rahm's happy to talk to you, and I
18 said to him so is there anyone else out there
19 authorized to be having discussions with us on
20 this issue. He said no, just him. I said
21 contrary to representations that may have been
22 made" I think this might be a typo "--
23 made by others, he said yes."

24 And then on the next page:

25 "So you know what I was getting at with that."

1 And then the governor says "Balanoff."

2 what were you saying there starting at
3 Page 2 to the governor?

4 A I was relaying to him more of the conversation I
5 had just had with Rahm Emanuel. And I had asked
6 Rahm Emanuel whether anyone else was authorized to
7 have discussions with the governor about the Senate
8 appointment. Because we were still waiting to hear
9 back from Tom Balanoff in person and had not heard
10 from him yet and I was just wondering whether or not
11 Tom Balanoff was going to be coming back or not.

12 q And when the governor says, "Balanoff," what did
13 you understand him to be saying there?

14 A That he was -- he understood what I was getting
15 at in my questioning of Rod.

16 q which was?

17 A Is Balanoff going to come back and talk to us.

18 q And the answer was?

19 A "No."

20 q And on Page 4, in the middle of the page, around
21 line 20, the governor says:

22 "You know, I wanna play some sort of role,
23 Howard Dean is Health and Human Services,
24 Hillary Clinton's Secretary of State, and
25 Arnold Schwarzenegger, EPA."

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1 what did you understand the governor to be
2 saying there?

3 MS. HAMILTON: Objection.

4 THE COURT: Sustained.

5 BY MR. GOLDSTEIN:

6 q Are you aware that Arnold Schwarzenegger was a
7 possible candidate?

8 THE COURT: Don't ask "are you aware,"
9 because you're asking for hearsay, things that have
10 no foundation, and it's way outside the scope of the
11 direct. You have other avenues here and this
12 particular one you shouldn't go down, and I think I
13 made it clear.

14 BY MR. GOLDSTEIN:

15 q Tab 42, now in this tab you're relaying a
16 discussion you had with Emil Jones, is that correct?

17 A Yes.

18 q And you said you weren't completely accurate, is
19 that fair to say?

20 A Yes.

21 q On line 22 you say:

22 "I said and what about this big bucket of money,
23 you know. I said you're gonna help like minded
24 candidates, right. He said yeah, I'm going to
25 stay politically active. Anyway, I'll tell you

1 more in person on that."

2 You said, at least the first two lines, that
3 it's an inaccurate description of the conversation
4 you had with Emil Jones, is that correct?

:27PM

5 A I said that the conversation that I relayed to
6 the governor did not accurately describe the
7 conversation I had with Emil Jones.

:27PM

8 q Now, you said "anyway, I'll tell you more in
9 person on that," did you ever have an in-person
10 conversation with the governor about that?

11 A On this subject, no. After this discussion.

12 q After this?

13 A No.

:28PM

14 q Are you aware of any conversations about this
15 after this call?

16 MS. HAMILTON: Objection.

17 THE COURT: You're talking about is he aware
18 of any conversation with anybody in the whole world,
19 don't do that.

:28PM

20 BY MR. GOLDSTEIN:

21 q To your knowledge, did the governor have any
22 conversations with Emil Jones after this
23 conversation?

24 MS. HAMILTON: Objection.

:28PM

25 THE COURT: That one is irrelevant. The form

1 is okay.

2 MR. GOLDSTEIN: The form is okay?

3 THE COURT: The form is okay, but you're
4 calling for something that is not relevance.

5 MR. GOLDSTEIN: Okay. Close, I guess. Can I
6 get half an answer?

7 THE COURT: No.

8 MR. GOLDSTEIN: Okay.

9 BY MR. GOLDSTEIN:

10 q If you turn to Page 4, you're relaying another a
11 conversation you had with Emil Jones, and on line 24
12 you say:

13 "Yeah, so I wanted to leave that impression only
14 because, you know, we're left here f' stuck in
15 the mud, you know, weakened because of that
16 f'ing ethics bill" and then you laugh.

17 what were you saying when you said "weakened
18 because of that f'ing ethics bill"?

19 A That the governor's ability to fundraise to build
20 up his campaign war chest was severely restricted as
21 a result of the passage of the ethics bill that
22 passed with Emil's help.

23 q Now, on Page 6, on line 11, the governor says:

24 "You really think, he thinks, I, that I'm
25 considering myself or is this -- or is that

1 just 'cause you put it in his head?"

2 Then you say:

3 "Ah, I can't really tell you how he felt about
4 it before I came in there, I can tell you after
5 I left he thought it was more real or he
6 thought it was real. I don't want to say more
7 because that implies I knew how, how he felt
8 about it before.

9 In this conversation between you and the
10 governor, these two paragraphs, what were you
11 communicating to the governor?

12 A The governor was asking me whether I thought
13 Mr. Jones believed the governor was seriously
14 considering appointing himself. And I said yes, and
15 I think part of that reason was because of my
16 explanation to Emil Jones that the ethics bill had
17 weakened the governor and he may have no choice but
18 to send himself, or very few other options, to the
19 Senate.

20 q And when the governor said I'm considering myself
21 or is this just could you put it in his head, what
22 did you understand him to be asking?

23 A I understood him to be asking me what I
24 interpreted to be Emil Jones' view of that
25 possibility, before and after.

1 q what was your understanding as to why he was
2 concerned about that being put in Emil Jones' mind?

3 MS. HAMILTON: Objection.

4 THE COURT: Sustained.

5 BY MR. GOLDSTEIN:

6 q You understood at this point that the governor
7 wanted to appoint himself, is that correct?

8 MS. HAMILTON: Objection.

9 THE COURT: Sustained.

10 BY MR. GOLDSTEIN:

11 q Turn to tab 58.

12 Now, this conversation is December 3rd, 2008,
13 is that correct?

14 A Yes.

15 q And you're discussing potential money going to
16 Wrigley Field, is that correct?

17 A Yes.

18 q And on Page 3, line 18 and 19, the governor says:
19 "Okay, good, and you're working on Jim Hendry,
20 right."

21 A Yes.

22 q What did you understand the governor to be saying
23 there?

24 A He was asking whether I was making progress on
25 his directive to me earlier to prepare street signs

1 for an honorary street to be -- or section of
2 roadway to be dedicated to the Honorary Jim Hendry
3 Way, and I was working -- he was asking me what
4 progress I was making on that project.

:33PM

5 q And your understanding is trying to get this done
6 before he appointed himself, is that correct?

7 MS. HAMILTON: Objection.

8 THE COURT: The objection is sustained.

9 BY MR. GOLDSTEIN:

:33PM

10 q Now, in this conversation, it's fair to say that
11 the governor wants this money to get moving quickly?
12 Is that fair to say?

13 A He had an interest this being done, yes.

:33PM

14 q And the interest and urgency to provide these
15 funds was so that he could appoint himself, it
16 couldn't be done if he appointed himself?

17 MS. HAMILTON: Objection.

18 THE COURT: Sustained.

19 BY MR. GOLDSTEIN:

:33PM

20 q Tab 66, now this is a conversation you had on
21 December 4th.

22 A Yes.

:34PM

23 q And you said that this so-called offer from Jesse
24 Jackson, this is the first time you were made aware
25 of it?

1 A He mentions it in a couple of calls, I'm not sure
2 whether this is the first or the second call.

3 Q Well, on this day, December 4th, I think you had
4 said in your direct testimony that this was the only
5 thing that changed, to your knowledge, this
6 so-called offer?

7 A I wasn't aware that he was having discussions
8 about this and that the question, if I recall
9 correctly, was had anything changed between the time
10 the governor told me he felt Jesse Jackson, Jr. was
11 a repugnant thought and dismissed my making an
12 argument on his behalf earlier and this call, yes.

13 Q So there's no discussions that you had in that
14 time frame discussing this offer, is that correct?

15 A No.

16 Q Okay. So you're not aware of any other
17 discussions had even before then, is that correct?

18 MS. HAMILTON: Objection.

19 THE COURT: Sustained.

20 BY MR. GOLDSTEIN:

21 Q Now, did you ever have conversations with Bob
22 Greenlee about this subject?

23 MS. HAMILTON: Objection.

24 THE COURT: Sustained.

25 BY MR. GOLDSTEIN:

1 q Page 7, on line 28, the governor says:

2 "When you calling Rahm?"

3 And you said:

4 "I got a call in to him already."

5 what did you understand the governor to be
6 asking you?

7 A Whether or not I had communicated with Rahm
8 Emanuel pursuant to an earlier directive of his to
9 call Rahm Emanuel.

10 q And the earlier directive of his was to call Rahm
11 Emanuel to throw out the name Jesse Jackson, Jr. to
12 the Obama camp, is that correct?

13 A To confirm with the Obama camp whether Jesse
14 Jackson, Jr. was still an acceptable candidate.

15 q And that was to use Jesse Jackson, Jr. as
16 negative leverage for the Lisa Madigan play, is that
17 correct?

18 MS. HAMILTON: Objection.

19 THE COURT: Sustained.

20 BY MR. GOLDSTEIN:

21 q You answered on direct examination that it was
22 just to confirm with the Obama camp about Jesse
23 Jackson, Jr. being a viable candidate, is that
24 correct?

25 MS. HAMILTON: Objection.

Harris - cross by Goldstein

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1 THE COURT: Sustained.

2 BY MR. GOLDSTEIN:

3 q You didn't say that, Mr. Harris?

4 MS. HAMILTON: Judge, objection.

5 THE COURT: Sustained.

6 BY MR. GOLDSTEIN:

7 q Now you talk about Lisa Madigan, that's correct?

8 MS. HAMILTON: Objection.

9 THE COURT: Sustained.

10 BY MR. GOLDSTEIN:

11 q In your testimony, did you ever talk about the
12 name Lisa Madigan? Does that name sound familiar to
13 you, Mr. Harris?

14 A Yes, it does.

15 q Very familiar probably, right?

16 A Yes.

17 q Okay. Good to know.

18 MS. HAMILTON: Objection.

19 MR. GOLDSTEIN: I'll take that back, it's not
20 good to know.

21 BY MR. GOLDSTEIN:

22 q Now, you talked about for a long time what's
23 called the Lisa deal in your conversations with the
24 governor, is that correct?

25 MS. HAMILTON: Objection.

1 THE COURT: The objection is sustained.

2 BY MR. GOLDSTEIN:

3 Q Is it fair to say from the summer of 2008 to the
4 day the governor was arrested, Lisa Madigan was a
5 subject discussed?

6 MS. HAMILTON: Objection.

7 THE COURT: The objection is sustained.

8 BY MR. GOLDSTEIN:

9 Q Now, you made, and I'll get -- want to get the
10 answer exactly correct, that you were talking about
11 the Madigan deal and whether anything was done to
12 achieve it, is that correct? Do you recall being
13 asked that type of question in your direct
14 examination?

15 A Yes.

16 Q Just so I get it straight, what was your exact
17 answer?

18 A That I wasn't aware of any steps taken in that
19 direction with respect to communicating to the
20 Madigan camp.

21 Q Now, you're aware, on December 1st through the
22 2nd, that the governor went to Philadelphia, is that
23 correct?

24 A Yes.

25 Q And that was with Quinlan, Greenlee, as well as

1 Fred Yang and Bill Knapp, is that correct?

2 MS. HAMILTON: Objection.

3 THE COURT: Sustained.

4 BY MR. GOLDSTEIN:

5 q And you're aware that this was a strategy meeting
6 about the Lisa Madigan deal?

7 MS. HAMILTON: Objection.

8 THE COURT: Sustained.

9 BY MR. GOLDSTEIN:

10 q You're aware that the governor spoke to several
11 people --

12 MS. HAMILTON: Objection.

13 THE COURT: Don't do that. You could be
14 talking about somebody that somebody told him that
15 is a lie, and then he says I'm aware of it because
16 he believed the lie. You're asking for any source
17 of information and a lot of that is inadmissible and
18 unreliability that's why I persistently sustained
19 these objections to general questions about his
20 awareness.

21 This is not a man on the street to be asked a
22 question about whether he is aware that the American
23 troops are in Pakistan. This is a man called to
24 testify to things he witnessed, not things he's
25 generally aware of, because what people are

Harris - cross by Goldstein

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1 generally aware of sometimes is wrong. This is why
2 we have witnesses testify to what they have seen and
3 heard, not to what they are generally aware of,
4 unless you have an expert opinion, and this is not
5 it.

6 BY MR. GOLDSTEIN:

7 Q Mr. Harris, it was your understanding on
8 December 4th --

9 MS. HAMILTON: There's going to be an
10 objection on hearsay.

11 THE COURT: Yeah. Maybe try starting it a
12 different way.

13 MR. GOLDSTEIN: I was trying to copy what the
14 government does, but that doesn't work here.

15 THE COURT: No, no, what the government was
16 doing was asking understanding of a statement made
17 directly to him, that's what that was for. You're
18 talking about understanding of stuff that was not
19 directly with this witness, and you've done that
20 persistently. There is a way to get these
21 contentions into evidence and I expect you some day
22 perhaps to use it. This is not the way.

23 BY MR. GOLDSTEIN:

24 Q Now, right before this tab, tab 66, at
25 11:23 a.m., you had a conversation with the governor

1 at 11:07 a.m., is that correct?

2 MS. HAMILTON: Objection.

3 MR. GOLDSTEIN: It's not in the book --

4 THE COURT: Come to the side.

5 (Proceedings heard at sidebar on the record.)

6 THE COURT: This is not in the book?

7 MS. HAMILTON: No, and Mr. Goldstein knows
8 it's inappropriate because we went down this road at
9 Trial One when Sam Adam, Sr., started asking
10 questions about this call and, if you recall, you
11 excused the jury and there were a series of
12 questions outside the presence of the jury.

13 THE COURT: Oh, is that the one that was
14 played --

15 MR. GOLDSTEIN: Judge, that is actually an
16 incorrect assessment of what happened. The
17 questions were asked, they were all answered, and
18 then we wanted to play the tape and the tape wasn't
19 allowed to be played.

20 THE COURT: And you're going to ask him about
21 statements your client made?

22 MR. GOLDSTEIN: Yes.

23 THE COURT: Right. So, in fact, you're
24 offering hearsay.

25 MR. GOLDSTEIN: I'm impeaching him on his

1 understanding --

2 THE COURT: No, no, you're not impeaching at
3 all. There is a joke. Basically you're trying to
4 get stuff in through the back door and you're not
5 entitled to get it in this way. There are other
6 ways to get it in. And if you don't want to put on
7 a case, don't put yourself in the position where
8 you're inviting the jury to wonder why you don't
9 back up your questions. This is, I think, a
10 dangerous tactic. You're entitled to exercise it,
11 but you can't refer to the statement.

12 (Proceedings resumed within the hearing of the
13 jury.)

14 BY MR. GOLDSTEIN:

15 Q Now, you're aware that -- strike that.

16 You prepared several lists regarding this
17 Lisa Madigan deal, is that correct?

18 MS. HAMILTON: Objection.

19 THE COURT: Sustained. Sustained on
20 relevance grounds.

21 BY MR. GOLDSTEIN:

22 Q Now, it was you that said that the Madigans
23 should come to the governor as opposed to the
24 governor to reach out to the Madigans, is that
25 correct?

1 MS. HAMILTON: Objection.

2 THE COURT: Sustained.

3 BY MR. GOLDSTEIN:

4 q In November of 2008, you had a conversation with
5 the governor where the governor asked you whether he
6 should reach out to Madigan and you told him "my gut
7 tells me --"

8 MS. HAMILTON: Objection.

9 BY MR. GOLDSTEIN:

10 q -- we should let them come to us" --

11 THE COURT: The objection is sustained.

12 BY MR. GOLDSTEIN:

13 q Rahm eventually contacted you, is that correct?

14 MS. HAMILTON: Objection.

15 THE COURT: Sustained.

16 BY MR. GOLDSTEIN:

17 q On December 1st of 2008, it was your
18 understanding that the governor wanted to appoint
19 himself, is that correct?

20 MS. HAMILTON: Objection.

21 THE COURT: Sustained.

22 BY MR. GOLDSTEIN:

23 q Did you have a conversation with the governor
24 about Oprah winfrey as a possible candidate?

25 MS. HAMILTON: Objection.

1 THE COURT: Sustained on relevance grounds.

2 BY MR. GOLDSTEIN:

3 q Now, you talked in some of these conversations
4 that you were rehearsing what the governor should
5 say to particular people, do you recall that?

6 A Yes; in preparation for his meeting with Tom
7 Balanoff, he asked me to help him rehearse war game
8 his discussion with Tom Balanoff and how to make the
9 best argument for his request in support of his
10 request.

11 q what do you mean by war game?

12 A To rehearse how the conversation might go and how
13 the governor should phrase what he wanted to
14 communicate.

15 q In your 40 some odd conversations with the
16 government, were you rehearsing your testimony?

17 MS. HAMILTON: Objection.

18 THE COURT: The objection is sustained.

19 BY MR. GOLDSTEIN:

20 q Now, on December 9, 2008, you were arrested and
21 it was then that you decided to cooperate with the
22 government, is that correct?

23 A After consultation with my attorney later that
24 day and the next day, I agreed to cooperate with the
25 government.

Harris - cross by Goldstein

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1 q Had you listened to any tapes at that point?

2 A No.

3 q Did you have any conversation with your attorney
4 as far as how much it would cost to go to trial --

:46PM

5 MS. HAMILTON: Objection.

6 THE COURT: Sustained.

7 BY MR. GOLDSTEIN:

8 q Mr. Harris, did you commit any crimes here?

9 MS. HAMILTON: Judge --

:47PM

10 THE COURT: Sustained.

11 MR. GOLDSTEIN: Nothing further.

12 MS. HAMILTON: May I have one moment, Your
13 Honor?

14 THE COURT: Sure.

:47PM

15 (Brief pause).

16 MS. HAMILTON: No redirect, Your Honor.

17 THE COURT: You may step down.

18 (Witness excused.)

19 MR. SCHAR: Judge, we'll call Tom Balanoff to
20 the stand.

:49PM

21 (Brief pause).

22 THE COURT: It's over there.

23 Face me and raise your right hand.

24 (Witness duly sworn.)

:49PM

25 THE COURT: Please be seated.

Balanoff - direct by Schar

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1 THOMAS BALANOFF, GOVERNMENT WITNESS, SWORN

2 DIRECT EXAMINATION

3 BY MR. SCHAR:

4 q Sir, could you please state your name and spell
5 your name for us.

6 A Thomas Balanoff, B-a-l-a-n-o-f-f.

7 q Where are you currently employed, Mr. Balanoff?

8 A Service Employees International Union Local 1.

9 q Is the Service Employees International Union
10 sometimes referred to as SEIU?

11 A Yes, sir.

12 q Is it okay if I referred to it as SEIU?

13 A That's fine.

14 q What is SEIU?

15 A SEIU is a union of service workers. We represent
16 workers in many different industries. My local
17 represents property service workers, janitors,
18 window washers, doormen, security.

19 Our broader national union represents
20 healthcare workers, public employees, many workers
21 in the service sector.

22 q How long have you worked at SEIU?

23 A I've been the president of Local 1 since 2000 and
24 I first started SEIU in 1988.

25 q You indicate you are the president of Local 1,

1 what are your job responsibilities as the president
2 of Local 1?

3 A Well, I'm the chief executive, so I run the union
4 overall, could run everything from heading up major
5 negotiations to staff issues and things of that
6 nature.

7 Q What did you do before taking a full-time job at
8 SEIU?

9 A I've been in the labor movements since 1973, so I
10 worked for other unions.

11 Q What is your educational background, sir?

12 A I have a bachelor's degree in history from the
13 university of Indiana and a master's degree in labor
14 industrial relations from the University of
15 Illinois.

16 Q Are you familiar with an individual named Rod
17 Blagojevich?

18 A Yes, I am.

19 Q How are you familiar with the defendant?

20 A He was the governor of Illinois.

21 Q When did you first meet him?

22 A I first met him, oh, probably 6 months before he
23 first ran for office, which I think would be 2001.

24 Q Was SEIU a supporter of his election and
25 reelection?

1 A Yes, we were.

2 Q And after he was elected, would you meet with him
3 from time to time?

4 A Yes, I would.

5 Q Directing your attention to his reelection in
6 2006.

7 After his recollection in 2006, about how
8 often would you meet with the defendant?

9 A Not as often as I had in his first term. I would
10 say probably, you know, 5, 6, maybe half a dozen
11 times.

12 Q In total?

13 A In total, yes.

14 Q What were the purposes of these meetings?

15 A Generally the purposes were to talk about policy,
16 legislation, things of that nature.

17 Q Do you have a personal relationship or
18 professional relationship with him?

19 A Professional.

20 MR. SCHAR: I'm assuming there's a
21 stipulation on identity.

22 MR. GOLDSTEIN: Yes.

23 MR. SCHAR: Judge, if we could just ask the
24 record to reflect the stipulation.

25 THE COURT: So stipulated that when he

1 mentions the name, he's talking about the defendant
2 in this case.

3 MR. SCHAR: Thank you, Judge.

4 BY MR. SCHAR:

5 q Mr. Balanoff, I would you like to direct your
6 attention to 2008, and specifically in the summer,
7 fall of 2008.

8 At that time were you involved in any way in
9 President Obama's presidential campaign?

10 A Yes. Yes, I was and our union was.

11 q How so?

12 A We supported him, we were helping him try to win
13 primaries, and then helping him trying to win the
14 general election.

15 Our union, particularly, worked northern
16 Indiana in the hope of the winning Indiana general
17 election, because in Illinois we were pretty certain
18 he was going to win this state.

19 q Had you known him prior, had a long-standing
20 relationship with Barack Obama?

21 A Yes, I did. Yes, I do.

22 q At some point, Mr. Balanoff, did you begin to
23 have interval discussions at SEIU about who might
24 fill President Obama's senate seat should he be
25 elected?

1 A Yes, we did.

2 Q Generally speaking, who were you talking to?

3 A Myself and Andy Stern who was the president of
4 our national union.

5 Q Why did SEIU have an interest in the senate seat
6 in Illinois?

7 A Well, we had an interest that we wanted a senator
8 who would represent the interests of our members and
9 the interests of working families, and that was
10 primarily the reason.

11 Q Direct your attention to early fall, did you have
12 a conversation with Mr. Stern about particular
13 candidates who SEIU might favor for the senate seat
14 should it become available?

15 A Yes, we did.

16 Q Was that conversation in person or over the
17 phone?

18 A Over the telephone.

19 Q What did you and Mr. Stern discuss?

20 A He asked me who I liked in the senate seat race.
21 I told him I like Jan Schakowsky, I thought she
22 would be a strong candidate. I told him I didn't
23 believe that she would be chosen.

24 MR. GOLDSTEIN: Objection; hearsay.

25 THE COURT: It's admitted to explain his

1 subsequent conduct, and for that purpose only, not
2 for its truth.

3 BY THE WITNESS:

4 A At that time, when I called, he asked me what I
5 thought about Valerie Jarrett. When I said I
6 thought she would make a good candidate, I told him
7 then that I thought that President Obama would
8 probably want her in his administration, though.

9 Q Did you know Ms. Jarrett at that time?

10 A I knew of her.

11 Q How?

12 A Didn't know her personally.

13 Q How did you know of her?

14 A Well, she was a well-known person, she had served
15 in different positions in, I believe, the Daley
16 administration, a civic leader, business leader.

17 Q At some point later, did you have another
18 conversation with Mr. Stern and about Ms. Jarrett in
19 particular?

20 A Yeah, later, mid to late October, he called me
21 again, we talked about it, he raised Valerie Jarrett
22 again, and again I said to him I thought that the
23 President Obama would probably want her in the White
24 House. He said that he had talked to Valerie
25 Jarrett and she was interested.

1 q Interested in what?

2 A In the Senate position.

3 q And shortly before the actual election on
4 November 4th of 2008, did you talk to Mr. Stern
5 again over the phone?

6 A Yes. Yes, I did.

7 q And at this point, obviously it was fairly close
8 to the election, it was beginning to look more
9 positive for President Obama likelihood to be
10 elected?

11 A Yes, it was.

12 q What, if anything, did you and Mr. Stern discuss
13 at that point?

14 A Mr. Stern called me and told me he was going --
15 Andy as coming in to Chicago on Monday morning, the
16 Monday before the election, and was going to be in
17 the northwest Indiana in this election day and he
18 asked if I could set up a meeting with the governor
19 on Monday afternoon, of I think it was November 3rd.

20 q Did you agree to try to do that?

21 A Yes, I did.

22 q After talking to Mr. Stern, what did you do?

23 A I believe I talked to Doug Scofield and asked him
24 if he could reach out to the governor and set up a
25 meeting for Monday afternoon.

1 q How did you know Mr. Scofield?

2 A Mr. Scofield was a consultant for us, he had done
3 PR work and relation work for our local, so I knew
4 him.

:57PM 5 q Was, in fact, a meeting set up?

6 A Yes, there was.

7 q Where?

8 A At the Governor's office at the Thompson Center.

:57PM 9 q Did you attend a meeting at the Thompson Center
10 on November 3rd?

11 A Yes, I did.

12 q What happened when you got to the Thompson
13 Center?

:57PM 14 A We went up to the 16th floor and went into the
15 Governor's office and had a meeting.

16 q When you say "we" who were you with?

17 A I was with Andy Stern.

18 q Who was present for the meeting?

:57PM 19 A Governor Blagojevich, John Harris, and Doug
20 Scofield, in addition to myself and Andy Stern.

21 q You mentioned John Harris, did you know John
22 Harris?

23 A Yes.

24 q You met him before?

:58PM 25 A I had.

1 Q How often had you seen him before this meeting?

2 A A few times.

3 Q Did you ever talk to him on the phone?

4 A No, I never had.

5 Q What, if anything, during this November 3rd
6 meeting was discussed in relation to the senate
7 seat?

8 A Well, we talked about the senate seat. I started
9 out the conversation by raising that I thought Jan
10 Schakowsky would be an excellent candidate, moved
11 past that and talked about other candidates.

12 Q Who else came up?

13 A Well, at one point, and I'm not sure if it was
14 Andy Stern or myself, who raised Valerie Jarrett's
15 name.

16 Q What was discussed in relation to Ms. Jarrett?

17 A Governor Blagojevich said that he thought that
18 she would make a good senator and that he assumed he
19 would hear from President Obama if that was his
20 desire.

21 Q You said if it was his desire, whose --

22 A If it was the president's desire.

23 Q To have Ms. Jarrett?

24 A Yes.

25 Q Did other names come up during the discussion?

1 A Yes, several names came up.

2 Q Did Congressman Jackson's name come up?

3 A Yes, it did.

4 Q What was discussed?

:59PM

5 A It came up and both I and the governor didn't
6 think he was a good idea.

7 Q You said didn't think it was a good idea?

8 A Did not think it was a good idea.

9 Q Referring to what?

:59PM

10 A To appointing Congressman Jackson to the Senate.

11 Q Did Lisa Madigan's name come up?

12 A Yes, it did.

13 Q How so?

:59PM

14 A The governor raised it, said that he could
15 appoint Lisa Madigan and that would be a smart
16 political decision, as well, as he could perhaps
17 move some of his legislative agenda.

18 Q Was there an individual named Robert Greenlee at
19 this meeting, to your recollection?

:59PM

20 A No.

21 Q Did you know who he was?

22 A Yes.

23 Q Had you met him prior to this?

24 A I had met him once.

:00PM

25 Q Did you ever talk to him on the phone?

1 A No.

2 q Now, the evening of November 3rd, that was
3 election evening, at some point did you receive a
4 phone call that you did not take?

5 A Yes, I did.

6 q why didn't you take the phone call?

7 A It said "unknown" on it, I wasn't sure who it
8 was, so I figured they'd leave me a message and then
9 I'd know who it was.

10 q Did you check your messages?

11 A Yes, I did.

12 q who had left a message?

13 A Then Senator Obama.

14 q what, if anything, did he ask you to do?

15 A He said, "Tom, this is Barack, give me a call."

16 q And did you have a phone number to call him back?

17 A I did have a phone number, a cell number for him
18 and I tried to return the call on that number but it
19 was disconnected.

20 q Did you eventually reach out to someone else in
21 the campaign to indicate that you were trying to get
22 in touch with then Senator Obama?

23 A Yes, I reached out to one of his aides who I knew
24 and told him that the president, Senator Obama, had
25 tried to call me and if he'd call back I'd take the

1 call.

2 q At some point did you receive another call that
3 evening?

4 A Yes, I did.

5 q Where were you when you received the call?

6 A I was pumping gas in my car on the corner of
7 Congress and Dearborn.

8 q Who was on the phone?

9 A President -- Senator Obama.

10 q What did you and then Senator Obama discuss?

11 A Well, first thing I said to him is, "are we going
12 to bring it home tomorrow," I said, "are we going to
13 bring Indiana home," and he said, "well, that'll be
14 determined by turnout," and I said, "don't worry,
15 we're going to get a big turnout." And then he
16 said, "Tom, with regards to the U.S. senate seat,"
17 he said, "I have two criteria --"

18 MR. GOLDSTEIN: Objection; hearsay.

19 THE COURT: It's admitted only for the
20 purpose of giving context to his conversation and
21 for the purpose of explaining the witness'
22 subsequent actions, if any.

23 MR. SCHAR: Thank you, Judge.

24 BY THE WITNESS:

25 A He said, "I have two criteria. One, that they be

1 good for the citizens of Illinois, and, two, that
2 they can be reelected."

3 Then he said that he was -- he thought there
4 were several people who met those criteria but he
5 was not going to support anybody publicly.

6 He then told me that he preferred to have
7 Valerie Jarrett in the White House with him, but
8 that she would like to be the senator and he thought
9 she met both of those criteria.

10 q What, if anything, did you indicate that you
11 would do after having talked to the President?

12 A I said to him that I was going to reach out to
13 governor Blagojevich and talk about Valerie's
14 appointment.

15 q And what was your understanding, based on that
16 conversation, was your role to communicate that to
17 the defendant?

18 A It was my understanding he knew I was going to go
19 and talk to the governor about it.

20 q That was the evening of November 3rd, the
21 following day was November 4th?

22 A Yes.

23 q Election day.

24 where were you on election day?

25 A I was in northwest Indiana.

1 q At some point, did you have a conversation with
2 Ms. Jarrett?

3 A Yes, I did.

4 q Did you have Ms. Jarrett's phone number?

5 A No, I didn't. Andy Stern suggested that I call
6 her. I didn't have her number, but his assistant,
7 who was with him, did, so she dialed the number and
8 I talked to Valerie.

9 q What did you and Ms. Jarrett discuss?

10 A I said to Valerie, I said, "Hi, this is Tom
11 Balanoff." I said, "I understand you're interested
12 in running for the U.S. Senate." She said, "didn't
13 Barack called you last night." I said he did, and I
14 said that I thought she would make a good senator
15 and that I was going to talk to governor Blagojevich
16 and advocate on her behalf.

17 q What did you do on election day?

18 A Election day?

19 q Election night.

20 A On election night, my wife and I went to the
21 Hilton Towers, which is right across the street from
22 Grant Park, there was a number of other officials
23 from SEIU, and we watched the election returns.

24 q What was occurring at Grant Park that evening?

25 A That evening, that's where President Obama was

1 hopefully going to give his victory speech, which he
2 did, and that's where he had the rally.

3 q At some point did you leave the Hilton and head
4 over to Grant Park?

:04PM

5 A When it became apparent that he was going to win
6 the votes, we all left and started to walk to Grant
7 Park.

8 q What happened on your way to Grant Park?

:04PM

9 A On my way in, I saw governor Blagojevich and
10 Senator Emil Jones walking out together.

11 q What happened next?

12 A I pulled the governor aside and said, "you know
13 the conversation we had the other day, well I want
14 to come in and talk to you more about it and I'll
15 give you a call."

:05PM

16 q When you referred to a conversation the other
17 day, what were you --

18 A About the Senate appointment.

19 q On November 3rd?

:05PM

20 A On November 3rd, yes.

21 q What was the defendant's response?

22 A He said, "great, give me a call."

23 q What happened the next morning?

:05PM

24 A The next morning I called Doug Scofield and asked
25 Doug if he could set up a meeting with the governor.

1 Q And was a meeting, in fact, scheduled?

2 A Yes, it was.

3 Q For when?

4 A For the next day.

5 Q November 6th?

6 A Yeah, November 6th.

7 MR. SCHAR: Judge, do you want me to continue
8 going or do you want to break?

9 THE COURT: I'm thinking.

10 20 minutes.

11 THE MARSHAL: All rise.

12 (The following proceedings were had out of the
13 presence of the jury in open court:)

14 THE COURT: You can step down.

15 THE WITNESS: Thank you.

16 (Recess.)

17 THE MARSHAL: All rise.

18

19 (The following proceedings were had in the
20 presence of the jury in open court:)

21 THE COURT: Please be seated.

22 You may resume.

23 MR. SCHAR: Thank you, Judge.

24 BY MR. SCHAR:

25 Q Mr. Balanoff, when we broke you indicated that

1 you had been able to set up a meeting for
2 November 6th with the defendant, is that accurate?

3 A Yes.

4 q Did you, in fact, attend a meeting with the
5 defendant on November 6th?

6 A I did.

7 q Where?

8 A His office at the Thompson Center.

9 q Who was present at that meeting?

10 A He and I were.

11 q How did the meeting begin?

12 A When we got in his office, I said, you know, the
13 other day when we talked you said you'd assume you'd
14 hear from President Obama, I don't believe you will,
15 I said, you know, I'm close to President Obama, I'm
16 close to you, so I'm here to speak, and he
17 understood what I was conveying to him.

18 q What were you trying to convey to him?

19 A I was trying to convey to him that I wasn't just
20 freelancing, that I had talked to someone of
21 importance and they knew I was there talking to him.
22 Actually, I was conveying to him that I had talked
23 to Obama, I didn't say that but that's what I was
24 trying to imply.

25 q What was the defendant's response to this?

1 A He said he understood.

2 Q What happened next?

3 A Next I told him I was there to advocate for
4 Valerie Jarrett. I told him that I thought she
5 would be a good senator, that she had the experience
6 in the business community and she was a civic
7 leader, and I thought, overall, she would be good
8 for the State of Illinois.

9 Q What happened next?

10 A He said he agreed, and then I went on to explain
11 to him that I thought it would be a smart political
12 decision for him.

13 Q When you say a smart political decision, what did
14 you explain to him?

15 A Well, I explained to him that in picking Valerie,
16 that more than likely he would make African-American
17 voters happy, he would make women happy, he would
18 make the business community, she was a business
19 leader, and would make labor happy, and would make
20 us, SEIU happy.

21 Q What was the defendant's response to your
22 advocating for Ms. Jarrett?

23 A He agreed that she would make a good senator and
24 that, politically, it would be smart.

25 Q What did he say next?

1 A He said, however, that he was in active
2 discussions with the Madigans about appointing Lisa
3 Madigan as the senator.

4 Q What, if anything, did he say about appointing
5 Ms. Madigan to the senate seat?

6 A Well, he said that if he appointed Lisa Madigan,
7 one, that he would probably remove who would
8 probably be his number one opponent in his
9 reelection. He said also that he felt that what he
10 was negotiating is that he could move some of his
11 legislative priorities, the Capital bill, healthcare
12 reform.

13 Q Did you know at the time whether, in fact, the
14 defendant was in active discussions?

15 A I didn't --

16 MR. GOLDSTEIN: Objection. Objection to what
17 he knew.

18 THE COURT: Yeah.

19 Ask him what he believed.

20 BY MR. SCHAR:

21 Q Did you have a belief, one way or the other, as
22 to whether he was in active discussions?

23 A I wasn't sure if he was in active discussions or
24 not.

25 Q What was your response to the defendant's

1 statement that he in active discussions with the
2 Madigans?

3 A well, I said to him that -- I asked how he could
4 trust that Speaker Mike Madigan would move his
5 legislation, and he said he wouldn't appoint her
6 until that was done.

7 q He wouldn't appoint her, who are you referring
8 to?

9 A Lisa Madigan.

10 q what happened next?

11 A well, I told him that could take months, and he
12 said yes, it could. And I told him I didn't believe
13 that Valerie Jarrett had that much time.

14 q why did it appear that Valerie Jarrett did not
15 have months to wait on the senate seat?

16 A well, I had talked to President Obama a few days
17 earlier, he told me his preference was to have her
18 in the white House, he was making his picks, trying
19 to put his team together in the white House, and I
20 just assumed that he or Valerie were not going to
21 wait for months to decide whether he would appoint
22 her to the senate seat or not.

23 q At some point did you continue to advocate for
24 Ms. Jarrett after this conversation?

25 A I advocated for Ms. Jarrett throughout.

1 q And in continuing to advocate for Ms. Jarrett,
2 what was the defendant's response?

3 A Well, at one point in the discussion after we,
4 quite frankly, had talked about the time question on
5 the Lisa Madigan appointment, he said to me, he
6 said, "well, Tom, my real passion," he said, "I love
7 being governor, but my real passion is healthcare,"
8 and he said, "if I could be the Secretary of Health
9 and Human Services, then I could really live out my
10 passion."

11 q What did you understand the defendant was
12 offering to do?

13 MR. GOLDSTEIN: Objection.

14 THE COURT: Overruled.

15 BY THE WITNESS:

16 A I understood that if Valerie -- if he could be
17 appointed to that position, then Valerie Jarrett
18 could be appointed to the senate seat.

19 BY MR. SCHAR:

20 q When you say he pointed to that position, what do
21 you mean?

22 A To secretary of Health and Human Services.

23 q And based on this conversation, what was your
24 understanding of what you were supposed to do with
25 that request for Health and Human Services in

1 exchange for Valerie Jarrett?

2 MR. GOLDSTEIN: Objection to his
3 understanding.

4 THE COURT: Overruled.

5 BY THE WITNESS:

6 A I'm sorry, could you repeat the question?

7 BY MR. SCHAR:

8 Q Based on this conversation, what was your
9 understanding as to what you were supposed to do in
10 relation to the request for Secretary of Health and
11 Human Services position in exchange for Valerie
12 Jarrett?

13 A Well, I think he was saying to me if you go back
14 and let them know to appoint me in this position,
15 then in exchange I would appoint --

16 MR. GOLDSTEIN: Objection to hearsay.

17 THE COURT: He's being asked his
18 understanding of what was being said to him by
19 someone in his presence, directed at him, that he
20 can answer.

21 BY THE WITNESS:

22 A I understood that he was suggesting that if I
23 took that back and that could happen, then he would
24 appoint Valerie Jarrett as the senator.

25 BY MR. SCHAR:

1 q Take it back to whom?

2 A To President Obama or to Valerie Jarrett. I
3 wasn't sure who he was thinking I would take it back
4 to.

:38PM

5 q How did you respond to the defendant's request to
6 be made Secretary of Health and Human Services?

7 A Well, when he said it I said, "that's not going
8 happen."

9 q What was his response?

:39PM

10 A He said, "why not? Because of the scandals or
11 because of the investigations?"

12 q What did you say?

13 A I said, "aren't you worried about that?"

14 q What was his response?

:39PM

15 A He said, "no."

16 q What happened next?

17 A Then he started to talk in general, that, you
18 know, I really do, healthcare is what I'm about, and
19 I love being governor but there's going to be a
20 point when I'm no longer governor, he said maybe I
21 could work with a foundation. He said to me at one
22 point, "maybe I could run the healthcare for a
23 union," and I said to him, "unions don't work that
24 way, those positions are elected, not appointed."

:39PM

:39PM

25 q At this point in the conversation, what were you

1 trying to do?

2 A well, I was trying to bring the conversation back
3 to the question of time, that I didn't believe
4 Valerie Jarrett had a lot of time, and I told him
5 that. And I said -- I told him that I was going to
6 reach out to Valerie and find out exactly how much
7 time she had.

8 Q What, if anything, did you ask of the defendant?

9 A I asked if we could get together on Saturday for
10 a cup of coffee and that I would reach out to
11 Valerie. We met on a Thursday and I would reach out
12 to Valerie on Friday.

13 Q What was the defendant's response as to whether
14 we was available for coffee on Saturday?

15 A He said that would be fine.

16 Q And did the meeting end shortly after that?

17 A It ended right after that, yes.

18 Q What happened -- well, did you arrange a meeting
19 with Ms. Jarrett for the following day?

20 A Yes, I did.

21 Q Who did you arrange the meeting through?

22 A I called Alexi Giannoulis.

23 Q Who was he?

24 A At the time he was Treasurer of the state.

25 Q At this point did you yourself have Ms. Jarrett's

1 phone number?

2 A No, I didn't. I didn't have it the day before,
3 but I knew Alexi Giannoulis was close to President
4 Obama and close to the campaign, so that's why I
5 reached out to him.

6 Q Was the following day November 7th.

7 A Yes.

8 Q What happened that morning?

9 A I did go and I met with Valerie Jarrett.

10 Q What did you indicate to Ms. Jarrett?

11 A I told Ms. Jarrett that I met with governor
12 Blagojevich and had advocated for her. I explained
13 to her that he said that he was in active
14 discussions with the Madigans about doing
15 appointment of her so that he could move some of his
16 legislative goals.

17 Q What else did you indicate, if anything, about
18 the Madigans?

19 A So I said to her, I said I wasn't sure if he was
20 -- if that was really happening or not, and that
21 although I knew the Madigans I didn't feel I had the
22 kind of relationship that I could call them up and
23 ask them, so

24 Q What, if anything, did you discuss with
25 Ms. Jarrett regarding the time?

1 A I asked her, you know, I said that his ideas that
2 they'll need time he needs to appoint this, I said,
3 you know, "Valerie, to do you have that type of
4 time" she said, "no, I don't."

:42PM

5 Q What, if anything, did you discuss with
6 Ms. Jarrett regarding the Secretary of Health and
7 Human Services position?

:42PM

8 A Towards the end of the conversation she asked me,
9 "did he say anything else," I said, well, he said
10 some goofy stuff, and I said that at one point he
11 had told me that his real passion was healthcare and
12 if he could be the Secretary of Health and Human
13 Services he could really live out his passion.

:42PM

14 Q What, if anything, did you indicate you would do
15 in terms of the timing in relation to addressing
16 Ms. Jarrett's interest in the senate seat?

:42PM

17 A I told her that I was going to have coffee with
18 the governor the next day and that I was going to
19 raise this issue that she didn't have the time.

20 Q What happened after your conversation with
21 Ms. Jarrett?

:43PM

22 A I went back to my office and I called the
23 Governor's office and I got a hold of his assistant
24 and I asked her to have him give me a call.

25 Q Did you have another conversation with the

1 defendant after that?

2 A Yes, I did.

3 Q In person or over the phone?

4 A Over the phone.

:43PM

5 Q What did you and the defendant discuss?

6 A I called him to say, "hey, I met with Valerie,
7 can we get together tomorrow for a cup of coffee."

8 Q What was the defendant's response?

:43PM

9 A He said, "Tom, I'm really sorry, I'm going out of
10 town." I think he said he was going to California,
11 but I wasn't exactly sure of that, but he did say he
12 was going out of town and wouldn't be able to meet.

13 Q So on Friday he indicated he was no longer
14 available for Saturday coffee?

:43PM

15 A Right.

16 Q Now, at some point during this time period, did
17 you yourself travel out of the Chicagoland area?

18 A Yes, I did.

19 Q Where did you go?

:43PM

20 A I went to Washington, D.C.

21 Q Why did you go to Washington?

22 A We had our SEIU national union executive board
23 meeting and division meetings.

:44PM

24 Q While you were in Washington, D.C. did you
25 receive several phone calls from the defendant on

1 November 12th?

2 A I received two phone calls.

3 q Since he had indicated to you he was no longer
4 available for coffee, had you talked to the
5 defendant?

6 A No, I hadn't.

7 q Prior to testifying, Mr. Balanoff, did you have
8 an opportunity to review certain recorded
9 conversations?

10 A Yes, I have.

11 MR. SCHAR: Judge, with your permission, I'd
12 ask now for permission to play call 541 which is
13 behind tab 36 in binder.

14 THE COURT: Give me a moment.

15 (Brief pause).

16 THE COURT: Yes.

17 (Tape played).

18 BY MR. SCHAR:

19 q Mr. Balanoff, I ask you to turn to Page 1 of the
20 transcript.

21 This call, according to the transcript, is on
22 November 12th, 2008, at 10:34 a.m.?

23 A I'm sorry?

24 q According to the transcript, the call is on
25 November 12th, 2008, at 10:34 a.m.?

1 A That's right.

2 Q Beginning on Page 1, at line 10, the defendant
3 says:

4 "So, ah, we just heard from Rahm, okay."

5 And then moving over to Page 2, at line 24:

6 "On Monday night he called through a
7 third-party and had a message conveyed, you
8 know, Valerie Jarrett wants to be senator, the
9 president wants her to be senator, and the
10 president would be, quote/unquote, grateful and
11 appreciative if the governor picks her."

12 what did you understand the defendant to be
13 telling you in this conversation?

14 A The defendant is telling me that he heard very
15 clearly the president's choice and that the
16 president's choice was Valerie Jarrett.

17 Q Over on Page 3, at line 1, the defendant says:

18 Yeah, so that came Monday night and then
19 yesterday was yesterday, and no, now, you have
20 nothing, and now, you know, I, I, I was on the
21 phone with people in Washington who are sort of
22 on the inside there, giving me updates, and
23 then Rahm called Harris down in Springfield."

24 Line 11:

25 "And, ah, said she was going to be in the white

1 House."

2 Down to line 18:

3 "But the President, there's four candidates he
4 wants and this is not public."

5 "Yeah."

6 "Jesse, Jr."

7 what did you understand the defendant to be
8 telling you in this part of the conversation?

9 A I assume when he mentioned Jesse, Jr.'s name that
10 that was one of the four names that he was given by
11 Rahm.

12 q Four names in relation to what?

13 A In relation to the appointment to the Senate,
14 candidates for appointment to the Senate.

15 q Over on Page 4, at the top:

16 "Who is the second one?"

17 He says:

18 "Tammy Duckworth, Dan Hynes, Jan Schakowsky."

19 what did you understand him to be telling you
20 there?

21 A That Rahm Emanuel had told him there were four
22 names and that those were the four names.

23 q Over to Page 5, line 2, he says:

24 "You know, I think, you know, you have another
25 candidate for a whole lot of reasons that is

1 obviously valid."

2 The defendant says:

3 "which one is that, Tom."

4 what did you understand the defendant is
5 asking in relation to what you're saying?

6 A well, when he asked, he didn't remember, it was
7 Lisa Madigan that he had discussed with me quite a
8 bit in our meeting earlier.

9 Q You say:

10 "well, the whole question of Lisa, I mean, you
11 know --"

12 He says:

13 "I got that one, right."

14 what did you understand him to be saying
15 there?

16 A well, when I reminded him, he remembered that,
17 oh, yeah, he had discussed, had that option.

18 Q Based on that conversation, what did you conclude
19 about whether or not there were active discussions?

20 A well, earlier --

21 MR. GOLDSTEIN: Objection, Your Honor:

22 THE COURT: Overruled.

23 BY THE WITNESS:

24 A I concluded that, in fact, he had not been in any
25 discussions or serious -- serious discussions, or

1 for that matter, I concluded any discussions with
2 the Madigans.

3 q Beginning on line 17, you say:

4 "Yeah, yeah, no, I'm not even going to raise
5 him. Between you and me, I'm going to talk
6 directly to Valerie and ask so you want to keep
7 pushing this or not. In our out, we'll know."
8 The defendant says:

9 "Hey, Tom, here's one thing I'd be interested
10 in okay."

11 At line 26:

12 "We're going to do this anyway but this would
13 sure expedite it, I want to create a 501(c)(4)
14 advocacy --"

15 Line 31:

16 "... organization that would be, you know,
17 there for if I'm not governor again or whatever
18 I do later, but right now ..."

19 Continuing on page 6, line 1:

20 "We'd have it, you know, run by people we
21 trust, it would be all about healthcare for
22 children, healthcare for working parents at the
23 level national and at the state level."

24 what do you understand the defendant to be
25 talking about in this section of the conversation.

1 A Well, in that section he's talking about the
2 creation of a 501(c)(4), and that he was going to
3 get it set up around the issues of healthcare and
4 that it would be there when perhaps he wasn't
5 governor any longer.

:55PM

6 Q When you say it would be there, what did you
7 understand him to be telling you?

8 A That they were going to create or he was going to
9 create a 501(c)(4).

:55PM

10 Q And it would be there when he is no longer
11 governor, what did you understand him to be saying?

12 A At that point -- a little further in the
13 conversation I understood very clearly that what he
14 was saying that if this could be created in
15 exchange, he would put Valerie Jarrett in the
16 position.

:56PM

17 Q Did you understand whether or not it would be a
18 position for him to go to after he was done being
19 governor?

:56PM

20 A Yes.

21 Q And right before that you raised the issue of
22 Ms. Jarrett at line 17 to 22 on Page 5?

23 A Right. Yes.

24 Q Over on Page 7, line 9, the defendant says:

:56PM

25 "I'm still, I embrace the things I believe in

1 and so I would like a role to be able to do
2 something along those lines, in creating a
3 501(c)(4) that if I'm no longer an elected
4 official I can possibly work with, right now,
5 while I'm elected official it would help me
6 push stuff right at the federal level which
7 helps us in Illinois, that would be very
8 attractive, and, you know, George Soros and
9 Buffet, and all those guys, you know, overnight
10 can put 10, 15, 20 million dollars in an
11 advocacy group like that."

12 and then at line 28:

13 "And then we could help our new senator,
14 Valerie Jarrett, go out and push that."

15 what did you understand him to be telling
16 you?

17 A well, he was telling me that if this 501(c)(4)
18 could be set up and be set up with contributions
19 from a couple of probably billionaires, very wealthy
20 people, Soros and Buffet, if it could be put
21 together, he actually mentioned 10, 15 million
22 dollars put into it, if all that happened, then we
23 could help our new senator, Valerie Jarrett, go out,
24 and it was clear that he was, in my mind at least,
25 connecting, if this could be set up, then Valerie

1 Jarrett could become a senator.

2 q who had the power to make Valerie Jarrett the
3 senator?

4 A The governor.

5 q She wasn't the senator at this time, was she?

6 A No, she was not.

7 q On line 24 when he says, "overnight can put 10,
8 15, 20 million dollars in," what was your
9 understanding as to when the defendant wanted this
10 done?

11 A That he wanted --

12 MR. GOLDSTEIN: Objection to his
13 understanding. Doesn't show any interaction
14 whatsoever.

15 MR. SCHAR: I can rephrase it.

16 THE COURT: Yes.

17 BY MR. SCHAR:

18 q Based on this conversation, what is your
19 understanding as to when the defendant wanted this?

20 A He wanted the 501(c)(4) set up as quickly as it
21 could be set up.

22 q And based on this conversation and the role you
23 had in terms of the Health and Human Services
24 request as well, what was your understanding as to
25 where you were supposed to take this request?

1 A I believed he thought I was going to take it back
2 to Valerie Jarrett.

3 Q After the phone call ended, Mr. Balanoff, what
4 did you do?

5 A After the phone call ended, I called Valerie
6 Jarrett.

7 Q Were you able to get through to her?

8 A No, I was not.

9 Q What were you trying to find out?

10 A I just wanted to find out whether she was still
11 interested in being a senator or not.

12 MR. SCHAR: Judge, at this time I ask
13 permission to play the call at tab 37 which does not
14 include Mr. Balanoff but it's the next call in the
15 binder.

16 THE COURT: Go ahead.

17 (Tape played)

18 MR. SCHAR: Judge, we ask permission to play
19 the call behind tab 38 in the binder.

20 THE COURT: Give me a second here. I've read
21 most of these and I've made little signatures,
22 autographs where I've looked at them and I can't
23 find it on this one, so I'm going to have to read
24 this one.

25 MR. SCHAR: Yes, Judge.

1 (Brief pause).

2 THE COURT: Yeah, you can.

3 MR. SCHAR: Thank you, Judge.

4 (Tape played).

5 BY MR. SCHAR:

6 q Mr. Balanoff, going back to Page 1, this is a
7 call on November 12th, 2008, at 10:47 a.m.?

8 A Yes.

9 q Not long after your first call with the defendant
10 that morning?

11 A No, not long at all.

12 q Lines 8 through 10 the defendant says:

13 "Ah, when you talk to her, just don't let her
14 know it's coming Rahm to Harris."

15 what did you understand the defendant to be
16 telling you there?

17 A well, what he was saying earlier in the call when
18 Rahm -- when he said that Rahm, in the first call,
19 that Rahm was the only emissary I think he was
20 saying there, don't let on to Val that I reached out
21 to you -- I'm sorry, that Rahm had reached out to
22 him, don't let that be known that he told me that
23 Rahm had reached out to him.

24 q And was it your understanding this was in the
25 context of your having this discussion with

1 Ms. Jarrett?

2 A Yes.

3 Q Line 20, Page 1, the defendant says:

4 "Good."

5 And over to line 1, on Page 2, Mr. Balanoff:

6 "You know, if she really wants to be a senator,
7 it could, it's a very real possibility it could
8 happen."

9 what did you understand the defendant to be
10 telling you there?

11 A Well, he was reinforcing in my mind what he had
12 told me before, that if the 501(c)(4) was set up,
13 (c)(4) was set up, that he could find his way to
14 appoint Valerie as the senator.

15 Q When you say find his way, what do you mean?

16 A Well, that would have the authority, that he
17 would appoint Valerie as a senator.

18 Q You mean having the authority --

19 A He had the authority as governor to make the
20 appointment.

21 Q Was it your understanding that there was an
22 exchange?

23 A Yes.

24 Q After this call, Mr. Balanoff, what did you do?

25 A I don't know, after about an hour or so, I hadn't

1 heard anything from Valerie Jarrett so I called
2 Alexi Giannoulas and I --

3 q And --

4 A -- and I asked him, I said that Governor
5 Blagojevich had called me and I said that Valerie
6 was out and I asked him is that true.

7 q What did he tell you?

8 A He said, yeah, unfortunately it was, that she
9 decided to take a position in the White House.

10 q Was it your understanding based on that
11 conversation that Ms. Jarrett was no longer
12 interested in the senate seat?

13 A Yes, that was my understanding.

14 q Did you have another conversation with the
15 defendant about Ms. Jarrett in relation to that?

16 A With Governor Blagojevich after that?

17 q Yes.

18 A No.

19 q Did that effectively end your communications
20 regarding Ms. Jarrett with the defendant?

21 A Yes, it did.

22 MR. SCHAR: May I have one moment, Judge.
23 (Brief pause).

24 BY MR. SCHAR:

25 q Mr. Balanoff, back on Page 1 of this transcript,

1 the call time is indicated at 10:47 a.m.?

2 A Yes.

3 MR. SCHAR: Judge, with Your Honor's
4 permission, we would ask to play the call behind tab
5 39. It does not include Mr. Balanoff.

6 THE COURT: Hang on.

7 (Brief pause).

8 THE COURT: Yeah, you can do that.

9 BY MR. SCHAR:

10 q Before I play that call, Mr. Balanoff, is that
11 call also the morning of November 12, 2008?

12 A Yes, it is.

13 q And is it at 10:50 a.m., shortly after --

14 MR. GOLDSTEIN: Objection; foundation. His
15 knowledge.

16 MR. SCHAR: I'll rephrase the question.

17 BY MR. SCHAR:

18 q According to the transcript, it's a call that
19 indicates 10:50 a.m.?

20 A Yes, it does.

21 MR. GOLDSTEIN: Objection, Your Honor.

22 THE COURT: Overruled.

23 BY MR. SCHAR:

24 q And the speakers are Rod Blagojevich and Patti
25 Blagojevich, according to the transcript?

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1 MR. GOLDSTEIN: Same objection.

2 THE COURT: Also overruled.

3 BY MR. SCHAR:

4 q Mr. Balanoff, are the speakers according to the
5 transcript Rod --

6 A Yes, Rod Blagojevich and Patti Blagojevich.

7 (Tape played)

8 MR. SCHAR: No further questions, Your Honor.

9 Approximately how long do you want me to go,
10 Your Honor?

11 THE COURT: We'll adjourn sometime a little
12 before 5:00.

13 CROSS EXAMINATION

14 BY MR. GOLDSTEIN:

15 q Now, Mr. Balanoff, you said that you had a
16 conversation with Andy Stern in September or October
17 of 2008 talking about the senate seat, is that
18 correct?

19 A Yes, it is.

20 q Okay. And you told Stern that you were for
21 Schakowsky?

22 A Yes, I did.

23 q And Mr. Stern told you he talked about Valerie
24 Jarrett, is that correct?

25 A In the first conversation he raised Valerie

1 Jarrett's name, yes.

2 q And you didn't think she would be interested?

3 A I said to him that I thought President Obama --
4 or Senator Obama, if he was selected president,
5 would be interested in having her in the white
6 House.

7 q Okay. Did you communicate as far as whether
8 Ms. Jarrett would be interested?

9 A No, I didn't.

10 q And, in fact, didn't Mr. Stern suggest putting
11 your name out there as senator?

12 MR. SCHAR: Objection, Judge.

13 THE COURT: The objection is sustained.

14 BY MR. GOLDSTEIN:

15 q You spoke to Mr. Stern again in October of 2008,
16 is that correct?

17 A Yes.

18 q And he told you that Valerie Jarrett was
19 interested in the senate seat, is that correct?

20 A Yes, he did.

21 q And he told you that he said it was your idea?

22 A He told me that he told her it was my idea.

23 q Okay. And he did so so you would look favorable
24 to Jarrett and Obama?

25 MR. SCHAR: Objection, Judge.

1 THE COURT: The objection is sustained.

2 BY MR. GOLDSTEIN:

3 q Now, Mr. Stern then called you at the beginning
4 of November of 2008, is that correct?

5 A Late October.

6 q Late October?

7 A Yeah.

8 q And he told you that he wanted to meet with the
9 governor, is that correct?

10 A That's correct.

11 q And you agreed to do that?

12 A I agreed to set up the meeting, yes.

13 q Okay. And it was you that set up this
14 appointment?

15 A Doug Scofield, I called Doug Scofield and Doug
16 Scofield set it up.

17 q And Scofield was your consultant at that time, is
18 that correct?

19 A Was a consultant for us, yes.

20 q So this was an appointment set up by Scofield or
21 by you via Scofield with the governor, is that
22 correct?

23 A That's correct.

24 q And you met with the governor on November 3rd of
25 2008?

1 A Yes.

2 q And it was you, John Harris, Andy Stern, and the
3 governor, is that correct?

4 A And Doug Scofield.

5 q And Doug Scofield.

6 And at this meeting you told the governor who
7 you wanted to be senator, is that correct?

8 A At this meeting we suggested candidates.

9 q And did you have a meeting with the governor back
10 in September of 2008 about the senate seat?

11 MR. SCHAR: Objection, Judge.

12 THE COURT: Outside the scope. Granted.

13 BY MR. GOLDSTEIN:

14 q Now, you talked about there was discussion about
15 Lisa Madigan, is that correct?

16 A Yes.

17 q And what exactly was discussed in terms of Lisa
18 Madigan?

19 A In which meeting?

20 q Ah --

21 A In the meeting with Stern?

22 q The meeting of November 3rd.

23 A As I recall, Governor Blagojevich in discussing
24 different candidates raised the question that he
25 could always appoint Lisa and that would take out a

1 political rival, as well as be a way he could move
2 some of his legislative goals.

3 q And you had no knowledge -- did he talk about
4 active discussions at this point?

5 A No.

6 q No.

7 And then the governor said if Barack Obama
8 was interested in Valerie Jarrett, he would expect
9 to hear from Mr. Obama, is that correct?

10 A That's correct.

11 q And some time after that you then left the
12 meeting, is that correct?

13 A Yes.

14 q And you said that evening you received a call
15 from Mr. Obama, is that correct?

16 A Yes.

17 q And he told you that he wanted Valerie Jarrett,
18 is that correct?

19 A No, he told me he wanted Valerie Jarrett in the
20 White House but Valerie wanted to be -- wanted the
21 senate seat.

22 q As you understood what he told you, it was that
23 he wanted you to advocate for Valerie Jarrett?

24 A I took it what he was saying to me that it was
25 okay if I advocated for Valerie Jarrett.

1 q what kind of relationship did you have with
2 president-elect Obama?

3 A I had known the president for quite a few years
4 and had been a supporter -- our union had been a
5 supporter in most of his elections.

6 q And he understood you to be the president of
7 SEIU, Local 1?

8 A Yes.

9 q And the chief bargainer for SEIU Local 1?

10 MR. SCHAR: Objection, Judge.

11 THE COURT: Overruled.

12 BY MR. GOLDSTEIN:

13 q Did he send you to talk to Rod to negotiate for
14 Jarrett?

15 A Did he send me? No.

16 q Did anyone send you to go speak to the governor
17 to speak for Valerie Jarrett?

18 MR. SCHAR: Objection, Judge.

19 THE COURT: The objection is sustained.

20 BY MR. GOLDSTEIN:

21 q Now, you said you were going to speak to the
22 governor to advocate for Valerie Jarrett, is that
23 correct?

24 A Yes.

25 q And you told the president that you were going to

1 advocate for Valerie Jarrett, is that correct?

2 A Yes.

3 q And after you got off the phone with Mr. Obama,
4 you then called Andy Stern, is that correct?

5 MR. SCHAR: Objection, Judge.

6 THE COURT: Sustained.

7 BY MR. GOLDSTEIN:

8 q Now, the next day did you speak to Valerie
9 Jarrett, November 4th?

10 A Yes, I did.

11 q And did you ask her if she was interested in the
12 senate seat?

13 A Yes, I did.

14 q And she responded by saying "didn't Barack call
15 you last night"?

16 A Yes, she did.

17 q And as you understood it, she was communicating
18 to you that she was interested in the senate seat?

19 A Yes, I took it as that.

20 q Okay. And that same evening before you went to
21 this election celebration, is that correct?

22 A Yes, I did.

23 q And you saw the governor, is that correct?

24 A Yes, I did.

25 q And he was there with State Senate President Emil

1 Jones?

2 A They were leaving. As we were walking in, they
3 were walking out.

4 q So you were approaching one another?

5 A Yes.

6 q Okay. And you pulled him to the side, is that
7 correct?

8 A Yes.

9 q And you spoke very briefly privately with him,
10 isn't that correct?

11 A That's correct.

12 q And you told him, "you know what we talked about
13 yesterday, I got a call and I want to set up a
14 meeting with you," is that correct?

15 A I believe.

16 q Okay.

17 A I'm not sure those are my exact words, but that's
18 clearly what was my intent.

19 q Did you tell him I want to talk about Valerie
20 Jarrett?

21 A I did not say Valerie Jarrett's name
22 specifically.

23 q Now, at that point you didn't just tell him,
24 "hey, governor, just want to let you know, Valerie
25 Jarrett, we want her as a senator"?

1 A In that short brief conversation? No.

2 q Now, the next day, on November 5th, you heard a
3 news report that the governor was establishing a
4 panel to review candidates, is that correct?

5 A Yes, it is.

6 q And once you heard that, you called Doug
7 Scofield, is that correct?

8 A Yes, I did.

9 q And you told Doug Scofield to set up a meeting
10 with the governor, is that correct?

11 A I asked him to set up a meeting, yes.

12 q Now, you didn't just tell Doug "could you tell
13 the governor just put Valerie Jarrett's name in the
14 mix"?

15 A No.

16 q You wanted to have a meeting with him, isn't that
17 correct?

18 A That's correct.

19 q So this wasn't the governor calling to meet you,
20 you called to meet him, is that correct?

21 MR. SCHAR: Objection, Judge.

22 THE COURT: Overruled.

23 BY THE WITNESS:

24 A I called him.

25 BY MR. GOLDSTEIN:

1 q Okay.

2 A Or I had called Doug Scofield to set it up, yes.

3 BY MR. GOLDSTEIN:

4 q Sorry.

5 And on November 6th, you then met with the
6 governor, correct?

7 A Yes.

8 I'm trying to keep straight in my mind the
9 calendar here.

10 q Yeah. And I have notes.

11 Now, on the 6th you met with the governor and
12 it was just you two, is that correct?

13 A That's correct.

14 q Who set up just the face-to-face meeting?

15 A Doug Scofield did.

16 q Okay. But did you request to have a one-on one
17 meeting with the governor?

18 A No.

19 q Who requested it just be the two of you, do you
20 know?

21 A I don't.

22 MR. SCHAR: Objection, Judge.

23 THE COURT: The answer is you don't know?

24 THE WITNESS: I don't think either of us

25 requested that it would be a one-one one. I

1 requested to meet with Rod Blagojevich and that's
2 who the meeting was with.

3 THE COURT: The answer may stand.

4 BY MR. GOLDSTEIN:

5 Q Now, you were there to advocate for Valerie
6 Jarrett, correct?

7 A Yes, I was.

8 Q Did you have a resume of Valerie Jarrett? Did
9 you present credentials of Valerie Jarrett?

10 A No, I did not.

11 Q So you were, in essence, having a meeting to
12 negotiate to advocate? What exactly were you doing?

13 MR. SCHAR: Objection.

14 THE COURT: Objection to the form of the
15 question is sustained.

16 BY MR. GOLDSTEIN:

17 Q Now, at this meeting, you told the governor that
18 he wasn't going to hear from Barack Obama, is that
19 correct?

20 A I told him I didn't believe he would.

21 Q Okay. What made you believe that?

22 A Because Barack Obama told me that he was not, in
23 his conversation, he said, "Tom, I'm not going to
24 publicly advocate for anyone," and the reason he was
25 calling me is to basically tell me it was okay to

1 talk to the governor on behalf of Valerie.

2 q As you understood it. He didn't say that
3 specifically --

4 A No, as I understood it, that's right.

5 q And you did, though, say to the governor that
6 you're close to Barack Obama and you're close to
7 Rod, is that correct?

8 A Yes, I did.

9 q Now, when you say you're close to Rod, you knew
10 the governor for how long in 2008?

11 A Well, for approximately 8 years.

12 q And, politically, SEIU is closely aligned with
13 the governor, is that fair to say?

14 A We supported the governor for election, in both
15 of his elections.

16 q When you say support, these are campaign
17 contributions, among other things?

18 A This are members working, volunteering, campaign
19 contributions, yes.

20 q Now, when you said you were close to the
21 president, as well as close to the governor, you
22 wanted to communicate to the governor that you had
23 clearance to negotiate, is that correct?

24 MR. SCHAR: Objection the form, Judge.

25 THE COURT: Sustained.

1 BY MR. GOLDSTEIN:

2 q When you indicated that you were close to the
3 governor and close to Obama, you wanted to indicate
4 that you had clearance just to speak?

5 A Yes.

6 q And that was -- was that speaking on behalf of
7 Barack Obama?

8 A No.

9 q Now, you said you told the governor on
10 November 6th that picking Valerie Jarrett would help
11 him with the business community, the labor
12 community, and overall it would be a very wise
13 political choice for him, is that correct?

14 A That's correct.

15 q When you said it would help him with the business
16 community, what were you communicating there?

17 A What I was --

18 MR. SCHAR: Objection, Judge.

19 THE COURT: The objection is sustained.

20 BY MR. GOLDSTEIN:

21 q You said it would be good, a good pick for SEIU
22 as well, is that correct?

23 A Yes.

24 q And what were you communicating there?

25 MR. SCHAR: Objection.

1 THE COURT: Sustained.

2 BY MR. GOLDSTEIN:

3 q What were you trying to communicate?

4 MR. SCHAR: Same objection.

5 THE COURT: Sustained.

6 BY MR. GOLDSTEIN:

7 q You also said it would make African-Americans
8 happy, women happy as well, is that correct?

9 A That's correct.

10 q And you said it would be a wise political choice,
11 is that correct?

12 A That's correct.

13 q When you said wise political choice, were you
14 communicating fundraising?

15 MR. SCHAR: Objection, Judge.

16 THE COURT: The objection is sustained.

17

18 BY MR. GOLDSTEIN:

19 q Now, the governor then brought up Lisa Madigan,
20 is that correct?

21 A Yes, he did.

22 q And this is where you said he was -- he told you
23 he was in active discussions?

24 A Yes, he did.

25 q Now, you had no knowledge, one way or the other,

1 whether that was true, is that correct?

2 A That's correct.

3 q You weren't close to the Madigans, correct?

4 A Politically close, but not personal level.

5 q In a way to call them and --

6 A No, I wasn't in that kind of relationship to call
7 and ask them.

8 q Now, you then said the governor said "my passion
9 is healthcare," and there are a few words said

10 beyond that, but "I'd like to be secretary to Health
11 and Human Services," is that correct?

12 A That's correct.

13 q Now, when he said "my passion is healthcare," did
14 you understand him to be telling you the truth?

15 MR. SCHAR: Objection, Judge.

16 THE COURT: The objection is sustained.

17 BY MR. GOLDSTEIN:

18 q Did you have a reason to not believe him that his
19 passion was healthcare?

20 MR. SCHAR: Objection.

21 THE COURT: You can't ask one witness whether
22 he believed another witness or somebody in a
23 conversation. It's opinion evidence which is not
24 permitted.

25 BY MR. GOLDSTEIN:

1 q Now, when Rod was speaking to you, and in
2 particular about HHS, he never said HHS for the
3 senate seat, is that fair to say?

4 MR. SCHAR: Is that your question, those
5 specific words?

6 MR. GOLDSTEIN: Correct.

7 BY THE WITNESS:

8 A Those were not his specific words, but I thought
9 that's what he was implying.

10 BY MR. GOLDSTEIN:

11 q That's what you felt he was implying?

12 A Yes.

13 q Is that what you felt he was implying or is that
14 what you understood? I just want to know the
15 difference here.

16 A Repeat that question.

17 q You said you felt that's what he was implying.

18 A Yes.

19 q Yet on direct examination you talked about what
20 you understood. I'm trying to figure out if there's
21 a difference between the two.

22 A No, it was my understanding that that's what he
23 was saying, if that's what you're asking.

24 q Okay. At that point you said, stop, you can't do
25 that?

1 A At that point, no.

2 THE COURT: The objection is sustained.

3 BY MR. GOLDSTEIN:

4 q At that point, you said "never going to happen,"
5 right?

6 A I said that's not going happen.

7 q It's not going to happen.

8 And then after he said something that you
9 understood to be one for the other, you then brought
10 back up the timing issue of appointing a senator, is
11 that correct?

12 A The timing issue was the issue that I was
13 concerned with, yes.

14 q Okay. So was that the only issue you were
15 concerned with at that point?

16 MR. SCHAR: (Standing up.)

17 THE COURT: Objection is sustained.

18 BY MR. SOROSKY:

19 q Now, when the governor says passion was his
20 healthcare, you understood he was just pondering,
21 ruminating, is that correct?

22 MR. SCHAR: I am going to object and if he
23 continues I would ask for a sidebar.

24 THE COURT: The objection is sustained.

25 BY MR. GOLDSTEIN:

1 q Now, you then said that the governor brought up
2 working with a union, is that correct?

3 Go ahead; sorry.

4 A That's all right.

5 (Drinking water.)

6 Yes, he did.

7 q At that point, did you leave the meeting?

8 A No, he -- he brought up working for a foundation,
9 or he said maybe I can do healthcare for a union.

10 q Did you stop him there?

11 A Yes, I told him unions don't work that way, those
12 aren't appointed positions, those are elected
13 positions.

14 q Okay. You didn't say stop talking about it, you
15 just said this doesn't happen?

16 A Yes.

17 q But you continued to talk with the governor at
18 this point, is that correct?

19 A I brought -- I brought the question back to time,
20 and I told him that --

21 q The timing of appointing --

22 A Appointing a candidate, yes.

23 q -- a senator.

24 So after the union job discussion, you then
25 brought up the time discussion in terms of Valerie

1 Jarrett?

2 A I wouldn't characterize these as discussions. It
3 was governor Blagojevich talking to me and when he
4 said unions then I corrected him -- or informed him
5 that that's not the way it works in unions, that
6 people were elected, not appointed to those spots.

7 q You said you didn't categorize it as a
8 discussion?

9 A I was listening to him.

10 q At a meeting that you had set up?

11 MR. SCHAR: Objection.

12 THE COURT: The objection to the form of the
13 question, the argumentative form to the question, is
14 sustained.

15 BY MR. GOLDSTEIN:

16 q Now, you eventually left the meeting, is that
17 correct?

18 A Eventually the meeting ended, yes.

19 q How long was this meeting?

20 A Oh, I don't know, 40 minutes, maybe an hour; 45,
21 I'm not sure.

22 q After this meeting, did you call the authorities?

23 MR. SCHAR: Objection, Judge.

24 THE COURT: The objection is sustained.

25 BY MR. GOLDSTEIN:

1 q Did you remove yourself from the situation?

2 MR. SCHAR: Objection, Judge.

3 THE COURT: If this is about the end of your
4 cross, you can stop now.

5 MR. GOLDSTEIN: It is.

6 BY MR. GOLDSTEIN:

7 q Now, right after this, you immediately tried to
8 get in touch with Valerie Jarrett, is that correct?

9 A After my meeting with Governor Blagojevich on the
10 6th?

11 q Correct.

12 A When I went back to my office in a short period
13 of time I reached out to set up a meeting, yes.

14 q And you called Alexi Giannoulas to arrange a
15 meeting?

16 A Yes, I did.

17 q And you ended up seeing Valerie Jarrett and Alexi
18 Giannoulas the next day, is that correct?

19 A That's correct.

20 q And that's November 7th, 2008, is that correct?

21 A That's correct.

22 q And you met Valerie Jarrett and Alexi Giannoulas
23 at the Aon Center, is that correct?

24 A That's correct.

25 q And that was where Ariel Capital was?

1 A Yes.

2 q And that was the president-elect transition
3 headquarters, is that correct?

4 A The temporary transition headquarters, yes.

5 q Did you have to get searched to get into this
6 building?

7 MR. SCHAR: Objection.

8 THE COURT: The objection is sustained.

9 BY MR. GOLDSTEIN:

10 q And you reported to Valerie Jarrett what you and
11 the governor had discussed, is that correct?

12 A I reported some of the things, yes.

13 q Some of the things.

14 And you talked to her about the Madigans, is
15 that correct?

16 A Yes.

17 q And after you had some discussion, Jarrett asked
18 if the governor said anything else, is that correct?

19 A That's correct.

20 q And you said, "well, at some point he said some
21 goofy stuff," is that correct?

22 A That's correct.

23 q And you told Jarrett that the governor said his
24 real love was healthcare and that if he could be
25 Secretary of Health and Human Services he could, you

1 know, be involved in his real passion, is that what
2 you told Valerie Jarrett?

3 A Along those lines, I think, yes.

4 q And you told Jarrett that you told the governor
5 that this wasn't going to happen, is that correct?

6 A Right.

7 q Did you communicate to Jarrett that you
8 understood that Rod was offering an exchange one for
9 the other?

10 MR. SCHAR: Objection, Judge.

11 THE COURT: I'm coming close to sitting you
12 down. Don't do this. I mean, this one is really
13 out of bounds which I will explain to you after
14 we're done.

15 BY MR. GOLDSTEIN:

16 q Did you take any action based on your
17 understanding of the meeting of November 6th?

18 MR. SCHAR: Objection, Judge.

19 THE COURT: Rephrase the question. "Any
20 action" could be getting in the car and going home.

21 BY MR. GOLDSTEIN:

22 q Well, what action, if any -- I don't want to beat
23 around the bush or anything, but what action, if
24 any, did you take based on your understanding you
25 had on November 6th?

1 MR. SCHAR: Objection.

2 THE COURT: Sustained.

3 BY MR. GOLDSTEIN:

4 q Did you communicate your understanding that you
5 had on November 6th of the meeting with the governor
6 to anyone?

7 MR. SCHAR: Objection.

8 THE COURT: Not relevant. Sustained.

9 BY MR. GOLDSTEIN:

10 q Now, after you met with Jarrett and Giannoulas
11 -- actually, just one quick question about your
12 meeting with Jarrett and Giannoulas. You talked
13 further as to what the next steps were as far as
14 trying to talk about the appointment of the senate
15 seat, is that fair to say?

16 A I told Valerie Jarrett that I was expecting to
17 have a cup of coffee with the governor the next day.

18 q And did you tell Valerie Jarrett that you could,
19 quote, jam him on the issue?

20 MR. SCHAR: Objection, Judge.

21 THE COURT: The objection is sustained.

22 BY MR. GOLDSTEIN:

23 q Now, after you met with the two of them, Jarrett
24 and Giannoulas, you then reached out to the
25 governor again, is that correct?

1 A Yes, I did.

2 q He didn't call you at this point, is that
3 correct?

4 A I called him.

5 q Okay. And you wanted to set up a meeting, is
6 that correct?

7 A I wanted to affirm a meeting I thought we set up
8 the day before to have coffee on Saturday, yes.

9 q Okay. And when you spoke to him, he indicated he
10 was going to be out of town, is that correct?

11 A That's correct.

12 q Now, you said you had a call -- you had a couple
13 of calls with the governor during this time period,
14 is that correct?

15 A That's correct.

16 q If you could turn to tab 36, please.

17 Now, on Page 2, the top of the page, the
18 governor says:

19 "So here, here's what is becoming clear I think
20 is, Rahm was pushing, he doesn't say this but
21 from others I know who are close to that
22 operation, Rahm was pushing her real hard."

23 You understood "Rahm" was Rahm Emanuel, is
24 that correct?

25 A Yes, I did.

1 q And the "her" is Valerie Jarrett, is that
2 correct?

3 A Yes.

4 q What did you understand the governor to be saying
5 when he said "Rahm is pushing her real hard"?

6 A I understood he was pushing her hard to be
7 appointed to the Senate.

8 q Now, on Page 2, you then on the same page, on
9 line 32, after the governor tells you about this
10 grateful and appreciative, you say:

11 "Well, that's a lot further than they would let
12 me say."

13 And then you say:

14 "But okay, cool."

15 Who is the "they" when you say "they would
16 let me say"?

17 A President Obama.

18 q So that would be singular? I mean, when you said
19 "they" you were actually --

20 A I meant President Obama, yes.

21 q Okay. And when you said "that's a lot further
22 than they would let me say," what conversation were
23 you referring to as far as being able --

24 A I was referring to the phone call that President
25 Obama had made to me. Governor Blagojevich said

1 that the president wants her to be senator, he told
2 me he wanted her in the white House but that she
3 wanted to be senator.

4 q Okay. Now, on Page 4, line 21, you say:

5 "Okay, well, that was, ah, you know, I'm going
6 to reach out just to make sure that, hey, I'm
7 going to reach out to someone else and make
8 sure that's true, okay."

9 Now you volunteered that, is that correct?

10 A That's correct.

11 q And did you understand you to be an emissary for
12 the president?

13 MR. SCHAR: Objection, Judge.

14 THE COURT: The objection is sustained.

15 BY MR. GOLDSTEIN:

16 q When you said you were going to reach out to make
17 sure that was true, what were you going to find out
18 if that were true?

19 MR. SCHAR: Objection, Judge.

20 THE COURT: Sustained.

21 BY MR. GOLDSTEIN:

22 q Now, you said on Page 5, you bring up:

23 "You know, and I think, you know, you have
24 another candidate for a whole lot of reasons
25 that, ah, is obviously valid."

1 And then the governor says:

2 "which one is that, Tom?"

3 And you say:

4 "well, the whole question of Lisa. I mean, you
5 know --" 7.

6 And the governor says:

7 "I got that one, right."

8 Now, you said based on this question and
9 answer, you felt the governor really wasn't serious
10 about Lisa Madigan, is that fair to say?

11 A That's fair to say.

12 q Did you, other than this question and answer, did
13 you have any independent knowledge at this point
14 whether there was any discussions or active attempts
15 to conduct this deal?

16 A well, the knowledge -- the only knowledge I had
17 is what Rod Blagojevich said he had told me in the
18 meeting on -- the 6th, was it?

19 q Yes.

20 A The meeting on the 6th that he was in active
21 discussions.

22 q Okay. And besides that, you had no other
23 information?

24 A I had no other information.

25 q Now, the same page, line 18 -- line 17, I'm

1 sorry, you say:

2 "Yeah, yeah, yeah, no, I, I'm not even going to
3 raise him. I, between you and me, I'm going to
4 talk directly to Valerie and say, hey, sister,
5 you want me to keep pushing this or not. In or
6 out, we'll know."

7 what were you saying here?

8 A I was saying that I was going to call Valerie and
9 ask her are you still interested being in the
10 Senate.

11 q And the Valerie was referring to Valerie Jarrett,
12 is that correct?

13 A Yes.

14 q Now, there was also a discussion of these list of
15 candidates, do you recall that in this conversation?

16 A Yes.

17 q who did you understand this list of candidates
18 was coming from?

19 A I understood that this was a list that Rahm
20 Emanuel had given to Harris representing it was
21 coming from President Obama.

22 q And the line about grateful and appreciative, who
23 did you understand that to be coming from?

24 MR. SCHAR: Objection.

25 BY THE WITNESS:

1 A Rod had told him --

2 THE COURT: I'm sustaining it.

3 BY MR. GOLDSTEIN:

4 Q Now, on Page 7, the governor tells you about this
5 issue advocacy, is that correct, in this page?

6 A On which page?

7 Q Page 7. I'm sorry.

8 A At some point, yes, he raises the 501(c)(4).

9 Q He talked about Soros and Buffet?

10 A Yes.

11 Q And he then says on line 28:

12 "Yeah, and then we could help our new senator
13 Valerie Jarrett go out and, ah --"

14 And then you say:

15 "Yeah, there you go."

16 And the governor says:

17 "-- push that."

18 When you say "there you go," what were you
19 saying there?

20 MR. SCHAR: Objection, Judge.

21 THE COURT: The objection is sustained.

22 BY MR. GOLDSTEIN:

23 Q On Page 8 you say, on line 1:

24 "So let me, ah, let me, ah, see if I can't,

25 well, I can, let, let me move this idea and see

1 where it, let me put that flag up and see where
2 it goes."

3 what were you saying there?

4 MR. SCHAR: Objection again, Your Honor.

5 THE COURT: The objection is sustained.

6 BY MR. GOLDSTEIN:

7 q On tab 38.

8 You there?

9 A Yes, I'm at tab 38. I'm sorry.

10 q On Page 3 the governor, on line 7, asks you:

11 "what do you think about that concept, that
12 idea?"

13 what did you understand the governor to be
14 asking you?

15 A About his idea of setting up a 501(c)(4).

16 q Okay. And your answer was:

17 "Hey, I think it's great, you know, but hey,
18 what you, you and I a lot of times think
19 something's great --"

20 The governor says:

21 "Yeah."

22 "It's unfortunate that other people don't. I
23 think it's a great idea."

24 what were you saying when you say "I think
25 it's a great idea"?

1 MR. SCHAR: Objection, Judge.

2 THE COURT: Overruled.

3 BY THE WITNESS:

4 A I was -- I was placating the governor, I was
5 mollifying him here, and I was actually trying to
6 let him know that, you know, when I say "other
7 people don't think that," I was trying to let him
8 down that this ain't gonna happen.

9 Q I mean, you did communicate that other people may
10 not think it's a great idea but you certainly
11 communicated that's what you thought, is that
12 correct?

13 MR. SCHAR: Objection, Judge.

14 THE COURT: The objection is sustained.

15 BY MR. GOLDSTEIN:

16 Q Now, after this conversation, you then called
17 Alexi Giannoulis, is that correct?

18 A Yes, I did.

19 Q And Giannoulis told you that Valerie Jarrett was
20 not interested in the seat, is that correct?

21 A That -- he told me that Valerie was going to stay
22 in the -- going to the White House and she wasn't
23 interested, that's right.

24 Q Did you ask him if the governor in the next hour
25 picked Valerie, would she even consider it, did you

1 ask him that?

2 MR. SCHAR: Objection, Judge.

3 THE COURT: It's sustained.

4 BY MR. GOLDSTEIN:

5 q Did you tell Alexi Giannoulis anything about the
6 501(c)(4)?

7 MR. SCHAR: Objection.

8 THE COURT: Sustained.

9 BY MR. GOLDSTEIN:

10 q Did Alexi Giannoulis ask that his name be put in
11 the mix?

12 MR. SCHAR: Objection.

13 THE COURT: You're off the field now. The
14 objection is sustained.

15 BY MR. GOLDSTEIN:

16 q Now, you talked a lot about what you understood
17 the governor to be saying in a lot of these
18 conversations, is that correct?

19 A Yes.

20 q And you on December 9th --

21 THE COURT: Let me stop you for a second.
22 Are you going away from these --

23 MR. GOLDSTEIN: I'm away from the calls.

24 THE COURT: Then we'll break now.

25 MR. GOLDSTEIN: Okay.

1 THE COURT: 9:30.

2 THE MARSHAL: All rise.

3 (The following proceedings were had out of the
4 presence of the jury in open court:)

5 THE COURT: Mr. Balanoff, you can step down.

6 And do me a favor and close that door.

7 Be seated in the courtroom.

8 Counsel, come to the lectern.

9 (Brief pause).

10 THE COURT: Let me tell you what the problem,
11 the principal problem I have with the questioning
12 and why I'm sustaining it. In many cases you are
13 going way beyond the scope. You want to recall your
14 witness as your witness, call him. Some of it I
15 think won't go in, some of it might possibly go in
16 but you won't be faced with beyond-the-scope
17 arguments. I can understand why you may not want to
18 call him to the witness stand, but if you want to
19 get it in and you're asking questions outside the
20 scope of direct, the only way you can do it is to
21 call him. And these witnesses are still under the
22 Court's order, they can be called by either side.

23 The other thing is is you are treading in a
24 different way toward this proposition of the defense
25 of the governor that he relied on legal advice,

1 which you know it's a defense you can't make because
2 of the conditions for legal advice are very
3 stringent and you didn't meet them, because it
4 requires that you ask for a formal opinion from a
5 lawyer and you reveal all the facts to the lawyer
6 and the lawyer says what you did is legal.

7 what you seem to be approaching sometimes,
8 and seeking some bolstering effect from witnesses,
9 is the proposition that without asking for legal
10 advice he personally believed that what he was doing
11 was legal, but to do that you have to lay a
12 foundation, and that foundation will almost
13 certainly have to be laid in the defense case, and
14 if that foundation is laid in the defense case, then
15 you can recall some of these witnesses and get to
16 that point.

17 But the question that was really out of
18 bounds was the question to the witness:

19 "... after this conversation, did you go to the
20 authorities?"

21 the only purpose of that, in the context of
22 this case, that might be a little different if
23 you're talking about, say, the victim of a sex
24 offense or somebody who gets stabbed and doesn't
25 report this to the authorities, there are lots of

1 reasons why that might occur, those reasons are all
2 personal to the circumstances of the offense. In
3 this case, what you are trying to build is the
4 proposition that the fact that the witness did not
5 go to the authorities is the equivalent of an
6 opinion of this witness that no crime occurred, and
7 it's an opinion evidence that you could not offer
8 even if he was on the witness stand testifying. You
9 could not call him, if you chose to call him, and
10 say was it not your opinion that no crime occurred
11 and was it not your opinion, is that not shown by
12 the fact that you didn't go to the authorities.
13 It's opinion evidence. The instructions on what is
14 the law are given by me. Nonfactual descriptions,
15 opinion evidence of the kind you want doesn't go in.
16 And, on top of it, it's not even opinion evidence,
17 it's you're going to be dragging it in as an opinion
18 based on his conduct, that's the only purpose for
19 this, and this is really outside the realm of the
20 reasonable, and implicitly and now explicitly in
21 violation of my order.

22 If you're going to make a defense, make your
23 defense, don't nibble around the edges with stuff
24 that's inadmissible. And the truth is, if you
25 continue to do this I will sit you down and I will

1 give you the same advise I gave to one of your
2 predecessor counsel in the course of closing
3 argument, if you're going to do something improper,
4 it's really wise that you save it to the end of the
5 cross-examination so that you get the legitimate
6 stuff in first; otherwise, you will not be serving
7 the best interest of your client, and I don't want
8 that to happen here.

9 MR. GOLDSTEIN: May I be heard?

10 THE COURT: No.

11 MR. SOROSKY: Our Honor --

12 THE COURT: I have made my ruling. I have
13 made my ruling. My ruling is very clear, and it's
14 not the first time I've made it. I want you to
15 understand it. And I don't want you to respond to
16 it now, I want you to comply with it, that's all I
17 want from you. We are not rearguing this issue.

18 9:30 tomorrow morning.

19 THE MARSHAL: All rise.

20 (Adjournment taken from 4:57 p.m. to 9:30
21 o'clock a.m. on May 10, 2011.)

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Balanoff - cross by Goldstein

1843

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I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT

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FROM THE RECORD OF PROCEEDINGS IN THE ABOVE-ENTITLED

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MATTER

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/s/Blanca I. Lara

date

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Blanca I. Lara

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Date